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STATEMENTS AND SPEECHES

The politics of Trade

Address by Mr. Allan E. Gotlieb,
Ambassador of Canada to the United States,
at the Financial Post Conference
on U.S.-Canada Trade

Canada

WASHINGTON, UNITED STATES

January 14, 1987

My subject this evening is the politics of trade, and more specifically of Canada-United States trade.

From my vantage point on the banks of the Potomac, it is chiefly the political forces operating in the United States that enter my range of vision. I shall begin, however, by making a point that is often missed in the debate over free trade in Canada. Listening to the Canadian debate, one gets the impression that the issue is whether we should embrace the United States commercially. In fact, this issue is already behind us. Whether we like it or not, Canada already is deep in the economic embrace of its southern neighbour.

To illustrate the extraordinary extent of this commercial integration, one need only compare the proportion of Canada's trade with the United States, with the proportion of West Germany's trade with the other member States of the European Community. Last year about 80 per cent of Canada's trade was with the United States, while 60 per cent of West Germany's trade was with the 11 other member States of the Community. The proportion of France's trade with the rest of the Community is also about 60 per cent, while the figure for the United Kingdom is somewhat less. If we take a smaller member of the Community, say the Netherlands, the figure is about 70 per cent. These comparisons show that in practical terms the level of market dependence among the member States of the Community is less than the level of Canada's market dependence on the United States.

In the case of Europe, this integration has been effected over a period of 30 years through the application of positive policy measures, such as the elimination of tariffs and contingency protection and the harmonization of competition law.

In the case of Canada and the United States, this phenomenon has occurred not so much because of as in spite of government policy, by the inexorable forces of geography and economics. This process has, of course, been facilitated by the progressive lowering of trade barriers, and tariff barriers in particular, as a result of the seven rounds of multilateral trade negotiations concluded since World War II under the auspices of the GATT. But since the GATT has also reduced barriers with Canada's other trading partners without having nearly as great an effect on bilateral trade flows, we must conclude that it is the geographic and economic forces, abetted perhaps by cultural affinities, that have been at work.

The problem with an integrated market fashioned by economics, rather than by politics and law, is that there is a minimal extra-national legal framework governing that market.

In the case of Canada and the United States, apart from exceptional sectors such as automobiles and defence, the trading relationship is governed only by the GATT. While the progress achieved in liberalizing international trade under the GATT has been

decline in the value of the U.S. dollar will help U.S. trade, as will a reduction of the U.S. budget deficit and better financial management. But we are, I believe, witnessing a long-term movement towards the administration of trade, driven by fundamental changes in the global balance of economic forces.

Recent studies suggest that the United States merchandise trade deficit in 1990 will still be in the \$100 billion range, down from \$170 billion this year. The steel, automobile, textile and machine tool sectors will continue to decline, with devastating effects on regional and local economies. At one point during the current year, the United States recorded a net deficit in agricultural trade for the first time in its history. There is now a consensus among economists and administrators that global market conditions require a contraction in American agricultural production. And perhaps most worrying of all, there is continuing uncertainty as to whether America can compete with Japan in semi-conductors and more generally in the next generation of high-tech products.

These economic changes are reflected in the political arena. In earlier decades, the Democrats, the farmers, the unions and the consumers formed the basic free-trade coalition. The Democrats have changed their stance, as have the unions and, increasingly, the farmers. The old coalition has shattered. At the same time, the Republicans tended to pick up the banner of free trade, as the international counterpart of their free-market philosophy. The significance of this development should not be underestimated. As last month's Congressional elections have demonstrated yet again, the Democrats remain, generally speaking, the majority legislative party in spite of President Reagan's phenomenal personal popularity. And the Democrats' electoral base -- the northeast, the south, the minorities, and labour -- is likely to continue the political pressures on the party in the direction of protectionism.

But I do not want to make too much of this relative change in the positions of the parties. Because the pressures for protectionism are driven by objective economic forces, the trend is essentially bipartisan. The Republican advocacy of free trade is now almost invariably qualified by the demand that it be "fair" as well as "free". At the same time, some strong Democratic voices are still to be heard among the free-traders.

Special interests -- including regional, sectoral, failing enterprises, and individual unions -- tend to benefit from protectionism, while the whole of society pays the costs, often out of all proportion to the benefits bestowed on the protected groups. The American system of government, with its division of powers and lack of party discipline in the Congress, is more susceptible to the influence of special interests than is the parliamentary system. Under the Constitution, the Commerce power, which includes power over

international trade, falls to the legislative rather than to the executive branch. Congress has always jealously guarded this power, and in recent years it has put the Administration on an increasingly tighter rein in administering U.S. trade laws.

Over the years the Congress has constructed a four-part system for protecting U.S. industry, which is important for Canadians to understand. I do not wish to suggest here that these protective laws do not have counterparts in other countries -- some of which are even more extensive. Certainly Canada is not free of them nor are any of the major trading nations. Indeed, the pressures towards greater protection of industry are particularly strong in the other industrialized nations where traditional industries are under economic assault, as well as in the newly industrialized countries themselves. There are far too many trade restrictions in the world.

The first element in the U.S. plan for protecting industry consists of various forms of "Buy America" laws, preferences for domestic goods in federal, state and local government procurement. The degree of preference varies from sector to sector and is particularly effective in such areas as defence and space programs, marine and mass transportation equipment, and minority and small business set-asides. Since government procurement in the United States exceeds \$500 billion per annum, the effect of such measures is enormous. In the closing days of the 99th Congress, new Buy-America initiatives were pursued relating to all defence procurement (the Trafficant Amendment), cement, oil rigs, and NASA procurement.

The second element of protection consists of various forms of procedural actions mandated by what are called "import relief" or "trade remedy" laws. These laws give private parties the right of direct access to such remedies as countervailing and anti-dumping duties, safeguards, intellectual property border measures, and retaliatory actions for the improvement of U.S. access to foreign markets, to name only the most widely utilized of a veritable panoply of such devices.

These laws make available to private U.S. parties an array of highly formalized and adversarial procedures that are relatively easy for the domestic producer to invoke, but costly and time-consuming for foreign exporters and governments to defend. They have a built-in procedural imbalance that favours domestic parties and leaves foreign exporters vulnerable to systematic harassment. Even where the foreign producer is eventually exonerated of the allegedly unfair or injurious practice, the uncertainty caused by a threatened or pending action, and the costs of defending it, can have a chilling effect on trade and investment.

As the softwood lumber affair has demonstrated, "winning" such a case may not resolve the uncertainty, since the agencies

responsible for administering U.S. laws are not entirely free from political pressures and remain attached to a prerogative once attributed to the gentler sex -- the right to change their mind. This is not to say that the U.S. domestic administrative processes are arbitrary. That is not my meaning. What I am saying is that they do not operate in a political vacuum.

As a result of actions brought under such laws, Canadian exporters have had restrictions placed on their exports of fish, shakes and shingles, hogs, sugar, flowers, certain iron and steel products, and, of course, softwood lumber. And we are now under threat of restrictions on brass sheet and strip, salmon and herring roe, uranium, lead and zinc, potash, and electricity.

The third kind of protectionist device consists of Congressional initiatives to rewrite the rules, by product or by country, or through omnibus trade legislation. Frequently, when domestic interests fail to make their case under existing import relief laws, Congressmen will seek to amend the law to guarantee success the next time around.

Ever since U.S. producers lost the 1983 lumber case, there have been many efforts in Congress to rewrite the countervailing duty law so as to ensure that Canadian stumpage practices would be found countervailable. Even as the current case was under consideration in the Department of Commerce, a large group of Congressmen wrote to the Administration warning of the likelihood of remedial legislation if Commerce failed to impose duties on Canadian softwood lumber. Such legislative initiatives seem intended to politicize the international trading environment. They create additional uncertainty for our governments and businessmen and have a chilling effect upon trade and investment in Canada, whether or not the proposed measures are eventually enacted into law.

The fourth element in the protectionist armoury is administered trade: that is, trade administered through some form of quantitative restriction or price setting. Some of these quotas are sanctioned by the GATT. The United States uses them to protect textiles and agricultural commodities such as sugar and dairy products.

Other quotas are imposed under agreements in which foreign exporters or governments restrict exports in return for the suspension or termination of countervailing duty, anti-dumping or escape clause investigations. Examples are the steel restraint agreements concluded with the European Community and other governments since 1982, and the agreement on semi-conductors recently concluded with Japan.

Another form of quota is the so-called voluntary restraint agreement under which a foreign government agrees to impose an export restriction in order to forestall threatened legislative or

administrative action. The best-known example here is the export quota on autos imposed by Japan in the early 1980s. A variation on the same theme is the restraint on steel exports still exercised by Canada to divert pressures for a formal voluntary restraint agreement.

Yet another variation is found in restraint agreements negotiated, it is said, to protect national security. The recent U.S. agreements restraining the import of machine tools from Japan and other countries are examples of this approach.

A study by a highly respected U.S. economist and former trade official estimates that the proportion of U.S. imports subject to some form of quantitative restriction grew from 8 per cent in 1975 to 21 per cent in 1984 -- and the volume of trade subject to some form of restriction continues to grow.

The shingles and shakes and softwood lumber cases illustrate an important phenomenon: namely, the development of a more aggressive stance by the Administration on trade issues in order to deflect something worse in the way of Congressional action. This has been accompanied by a shift in emphasis from the general to the specific: from pressure for a new MTN round, plus action to lower the value of the dollar, to more targeted actions in trade law cases. While the general approach has not been abandoned, political realities in Washington dictate a greater emphasis on "policeman" actions by the Administration, the "aggressive" pursuit of unfair trade practices.

There has been a good deal of criticism in Canada of the way in which the recent lumber issue has been handled by the Canadian Government. In my view, this criticism is ill-founded and much of it rests on misinformation or false premises. Given the very high volume of trade at risk and the extremely slim prospects of the Commerce Department reversing its Preliminary Determination of Subsidy, it would have been foolhardy of the Government to roll the dice and let the investigation go through a final determination. No responsible government could ignore the handwriting on the wall.

The settlement that has been obtained is not perfect or cost-free, but I am convinced that it is the very best result we could have obtained under the circumstances. The agreement leaves the provinces free to manage their own resources. Relative to the situation that would have prevailed had a countervailing duty been levied, the settlement greatly reduces U.S. intrusion into our forestry management practices. It produces between \$500 and \$600 million in additional revenues for the provinces, revenues that in the absence of an agreement would have gone to U.S. coffers. And finally, a matter of no small importance, the settlement wipes off the books the dangerous precedent that had been established in the preliminary determination. Given the hand that our negotiators had to play, I believe the agreement represents a considerable achievement.

In the 100th Congress, a major new effort will be made to recast U.S. trade laws. In the last Congress, the omnibus trade bill passed by the House of Representatives was described by some observers as the worst trade bill since Smoot-Hawley. It will be the basis for the new initiative in the upcoming Congress. The Administration will have to weigh the possibility of a presidential veto or the option of negotiating with the Democratic Congress to moderate or deflect the thrust and impact of the bill.

From the Canadian vantage point, all these factors have brought about a change in emphasis in how we respond to protectionist pressures in the U.S.

Previously we were able to argue that Canada should be exempted from general trade legislation aimed at others because our situation was materially different. This approach is clearly ineffective where we ourselves are the only target of the legislation.

Examining the legislative and trade law actions we faced in the 1983-84 period, as opposed to our experience of the last two years, we find that there have been more trade law cases filed in the past two years; more of them have been aimed at Canadian products; the industries affected have been more important for Canada; and the results have been more negative for us. On the legislative front there has been an increase in the number of bills introduced in Congress targeted specifically on Canadian exports, where previously we were being "sideswiped" by general legislation aimed at other targets.

In terms of defending our interests in the United States, I draw four conclusions from this analysis:

First, instituting new and major campaigns of high-level representations to the Congress and Administration on an issue-by-issue basis is both necessary and important and we must be relentless in the pursuit of our objectives in this manner. But we may be reaching the limits of our capacities in implementing this strategy. In a few instances, we may even experience the law of diminishing returns, if there are backlash effects. When Canada is the primary or only target of these protectionist bills, their sponsors are not inclined to revise them simply because we ask it, no matter at what level we pitch our request.

My second conclusion flows from the first. Our lobbying efforts on protectionist measures in the United States must rely to an increasing extent on the development of alliances with U.S. domestic constituencies which share some of our objectives. Much of this work has to be done outside Washington, in the form of "grassroots" lobbying. This kind of activity is an important complement to high-level representational efforts in Washington. Our network of

consulates situated in most of the major regional centres of the U.S. can be helpful in pursuing this work. Again, there are risks and dangers in this approach. We are sometimes susceptible to the accusation of "interference" in U.S. domestic affairs if we are seen to be forging domestic alliances. But when our vital interests are at stake, such risks may be worth taking.

My third conclusion is that Canada cannot afford to ignore even the first faint signs of a burgeoning threat to its trade interests in the United States. We have nothing to gain and much to lose by playing the ostrich.

My fourth conclusion is that the real bulwark against further restrictions on our access to the U.S. market must be found in some kind of institutional framework. It is only within the structure of a binding agreement that we can define the "rules of the game" and ensure that we have an equal voice in making the decisions that are so vital to our national livelihood and well-being.

It would be foolhardy for a country so dependent upon a single foreign market to leave our access to the vagaries of the local and sectional politics that are the bread and butter of the Congress, or to the twists and turns of GATT diplomacy, where Canadian interests may be trampled in the marathon struggles between the economic superpowers.

If the rules are just and impartially enforced, the rule of law can help to restore some balance to the inequalities wrought by differences in size and power. The United States, like all countries, has its special characteristics. One of them, and one that is sometimes a cause of considerable frustration for us, is the legal focus of the U.S. system. We need to work with the U.S. respect for laws and courts. We need to persuade the Americans that it is in our joint interest to establish a new legal framework that will submit our trading relationship to a system of binding rules and dispute-settlement procedures.

In short, we need to create a system of extra-national trade laws to prevent the politics of protectionism in either country from undoing the integrated market already forged by geography and economics. We need the legal framework of a bilateral trade agreement to make trade less political and more predictable. If we can take some of the politics out of trade, we will have both better trade and better politics. We need this on our side of the border, and the Americans need it too.

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The Francophone Summit

and the Francophones outside Quebec



Address by Mrs. Monique Landry,
Minister for External Relations,
to the Richelieu clubs
of the Ottawa area

Canada

OTTAWA, ONTARIO

February 11, 1987

Mr. Chairman,

Ladies and Gentlemen,

It is a pleasure for me to speak to the Richelieu Clubs of the Ottawa area this evening. Ever since the Richelieu club was founded here in Ottawa in 1944, it has played an important role in promoting the French language across Canada. Today, the movement has extended to eight countries on three continents. This meeting is therefore an especially appropriate setting in which to talk about the role that the Francophones outside Quebec should play in the Francophone Summit.

First of all, I cannot overemphasize the historic significance that the year just begun will have for Canada. At the Francophone Summit, to be held in Québec next September, Canada will show, more vividly than at any other time in its history, that it is a country where the French language is a major instrument for its development and for its relations with a large community of foreign countries.

Only a few years ago, an event of this sort seemed barely possible. But thanks to the open-mindedness and determination of our Prime Minister, Mr. Brian Mulroney, who has effectively implemented a

policy of national reconciliation, Canada this year will host some forty heads of state and governments all having the use of the French language in common.

At one time, the concept of such a Summit, frequently mentioned and long desired by such great African leaders as Presidents Senghor of Senegal and Bourguiba of Tunisia, among others, could never have become reality. Let us be quite frank: one of the obstacles to such a meeting of Francophone countries had always been the difficulty of having the federal government and Quebec sit down at the same table in a spirit of respect for each other's legitimate powers, given that both would be participating in an international meeting.

It was high time that this burden weighing on the development of Canada-France-Quebec relations was removed. Thus, in November 1984, on the occasion of the visit to Canada of Mr. Laurent Fabius, the French Prime Minister of the time, Prime Minister Mulroney recognized the legitimacy of direct links between Québec and Paris, inasmuch as they would not infringe on matters under federal jurisdiction. This new attitude cleared the way for the start of negotiations which, scarcely one year later, led to the conclusion of an agreement allowing

the participation of Quebec and New Brunswick in a Summit of heads of state and governments.

Thus, one year after being elected Prime Minister of Canada, Mr. Mulroney had succeeded in resolving the imbroglio that for 15 years had prevented the organization of a Summit of Francophone nations. In doing so, he gave the Canadian French-speaking community an opportunity to play an expanded role in connection with the issues that concern it most.

In February 1986, at the first Francophone Summit, which was held in Paris, Mr. Mulroney, representing Canada, showed that we were an important partner for all the countries that are home to the 200 million Francophones around the world.

And at this first Summit, in addition to giving the international community indisputable evidence of the uniqueness of our cultural and linguistic identity, Canada also exercised its undeniable right to participate as a full-fledged member in two great movements, the Commonwealth and the community of French-speaking nations, which by themselves encompass more than half the countries of the world. This dual membership resulting from the bilingual nature of our country will be underscored this year when the

Commonwealth Summit is held in Vancouver, one month or so after the Francophone Summit.

I have already alluded to Mr. Mulroney's courage and vision, which allowed the birth of the new international forum that the Francophone Summit would become. But we must also pay tribute to the determination, the perseverance and the wisdom demonstrated by several generations of Canadian Francophones.

Very early in their history, the Francophones of Canada understood the need for solidarity if they were to preserve their cultural and linguistic heritage. The Franco-Ontarians, for example, are aware of the potential influence of cultural, economic, educational, corporate, humanitarian and regional associations. The Richelieu clubs are a shining example of the desire to join together which unites those Francophones living in provinces where French is not the language of the majority.

While the Francophones of Quebec were asserting the originality of their culture with ever-growing assurance, Francophones in the other parts of Canada were resolving to make their voices heard with greater firmness, for example in 1975 when their

provincial associations united to form a single federation, that of the Francophones outside Quebec.

As Minister for External Relations, hence minister responsible for international Francophone institutions and for the Summit of French-speaking nations, I want to assure you that I shall lend an attentive ear to any suggestion or request from the Federation, and from other associations of Francophones outside Quebec, regarding the Quebec Summit.

Prior to the Paris Summit, my predecessor in this portfolio, Mme Monique Vézina, had invited various Canadian Francophone associations and personalities to attend a working session. The Prime Minister subsequently invited the then President of the Federation of Francophones Outside Quebec, Mr. Gilles Leblanc, to join the Canadian delegation to the Paris Summit.

Last 11 December, I myself met with the executive committee representing some 40 Francophone organizations. That meeting gave us an opportunity to examine a variety of avenues for involving Francophones outside Quebec in the Québec Summit. I intend to continue that dialogue and those consultations with all diligence.

I believe that there could be no better representative of Francophone Canadians at the Summit than Prime Minister Mulroney, who was able to reach agreement with Quebec and New Brunswick, as I mentioned earlier, so that the Canadian reality might have a voice in the community of French-speaking nations.

Yet the Francophones of Ontario could become full and direct participants in the accomplishments of a worldwide Francophone community. Indeed, my government continues to hope that the government of Ontario will soon recognize French as an official language. We are of course aware of the significant progress already made with regard to improving access for Francophones to services and education in their own language. The culmination of such progress might be recognition of French as an official language in Ontario. In thus recognizing the important contribution, past and present, of Franco-Ontarians to its development, the most populous and most prosperous province of Canada could benefit from the same agreement that defines the participation of Quebec and New Brunswick in the Francophone Summit. At the Paris Summit, the Ontario minister Bernard Grandmaître had been invited to represent the government of Ontario. The Canadian delegation would have much to gain from the contribution of a representative of the government of the province in

which resides the largest concentration of Francophones outside Quebec. And Ontario would have everything to gain from full and complete participation in the Francophone community.

It is above all a matter of justice and logic. But I believe that any future decision by Ontario to participate directly in the work of the Francophone Summit would also be based on practical considerations.

Indeed, the meeting of the heads of state and governments sharing the use of French should not be seen as a sort of political/folk festival in which the beauties of the French language are extolled.

Canada's position is utterly clear: the work of the Francophone Summit, if it is to benefit the greatest number of participants, must focus on the planning and implementation of concrete, feasible projects. A few days before leaving Canada to attend the first Francophone Summit, Prime Minister Mulroney had said that it was of primary importance that the meeting be marked by effectiveness and concreteness. The Francophone community would either be active or it would not be at all.

As a matter of fact, during the Paris Summit, the heads of state and governments divided the projects that had been submitted into five main networks, selected as a function of the major axes for development and enhancement of the international Francophone community. Canada was thus assigned responsibility for the Culture and Communications network, where our expertise could be put to good use. Some projects are already well under way, for example the extension to North America of TV-5, the international French-language television network, which should begin broadcasting in the fall. Imagine the role that TV Ontario could play in this regard, and the benefits it could draw.

Quebec, for its part, will be responsible for the Energy network. The federal government is making an important contribution in this regard too; for example, I recently announced the conclusion of an agreement with the Ecole des hautes études commerciales for the training of petroleum industry managers from Third World countries, a project that had been put forth by the participants at the Paris Summit. We have also taken on a number of initiatives from the three other networks - agriculture, scientific and technical information, and language industries.

As you can see, participation in the Francophone Summit can lead to international application of Canadian skills, which can only be beneficial to our economy.

We must nevertheless guard against viewing our participation in the international Francophone community as a commercial venture, a subtle means of cornering foreign markets. Let us not forget that most of the countries participating in the Francophone Summit are developing countries. As minister responsible for the International Development Agency, I shall see to it that first and foremost, the immense and urgent needs of the people of the Third World are given the attention they deserve.

The Francophone Summit is also a new forum for international consultation. Canada is able and willing to expand its sphere of political activity. It is in a unique position for working towards enhanced multilateral consultation and the reduction of the antagonisms that too often stand in the way of a common quest for solutions to major problems. We saw this at the Paris Summit when, at our instigation, the participants adopted a joint declaration against apartheid, a fundamental element of our policy on Africa.

But perhaps you are still wondering: what exactly is this Francophone Summit that everyone seems so keen about?

We are told that it is not a cultural get-together, that it is not a trade initiative. It discusses politics and economics but it is also very interested in development assistance. It is not exactly like the Commonwealth, nor is it an abstract idea; it is rather an instrument for concrete, modern realizations, designed to help the international Francophone community to cope with the challenges of modern-day living.

I shall answer simply and directly: the Francophone community is what we Francophone Canadians are and will be.

And in this respect, you, the Francophones outside Quebec, have already made your contribution. Because to this day you are still what your parents, your grandparents and your great-grandparents wanted you to be, you have already helped to fashion a rich, unique country, one that arouses the admiration of the other Francophone nations.

Because, through sometimes trying and always difficult circumstances, you have kept the French

language alive in America, Canada is now able to take its place in the forefront of the Francophone countries of the world.

If I had to find a definition of "Francophonie" this evening, I would not have very far to look. Wherever a human being uses the French language to express himself, to fulfill himself, that is where you will find "Francophonie".

And this Summit is where these dynamic forces will come together, where they will exchange ideas, where they will act. Every one of you in Ottawa, Vanier, Orleans or elsewhere, who is living in French, is richly deserving of the Francophone Summit.

It is high time that this fact was recognized, right here.

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Canada's Role in Southern Africa



Notes for a speech

by the Right Honourable Joe Clark,
Secretary of State for External Affairs,
to the Canadian Council
for International Cooperation

MONTREAL, QUEBEC

February 28, 1987

Canada

It is customary for a speaker to congratulate the organizers of a Conference, but I hope you will not consider it merely custom for me to praise your determination to broaden the coalition against apartheid.

What is new today is not the evil of the apartheid system, nor the moral outrage it arouses, but rather the fact that world opinion is crystalizing now in a way that no regime in Pretoria can ignore. Our challenge is to find effective and sustained measures to build that pressure for change. Obviously, that will require continued new actions by Governments, but we should recognize that the strength of the pressure so far has been its growing base in international opinion. Pretoria can attempt to dismiss political actions by known adversaries, but it cannot ignore a consensus that steadily includes new critics, some of them silent or acquiescent before, some of them motivated by the calculation that apartheid, as well as being morally wrong, is bad for business. In that context, I want to discuss some of the challenges we face in broadening the consensus in Canada against apartheid.

But before I do that, let me repeat the position of this Government of Canada. It was stated, clearly and early, by the Prime Minister in the General Assembly of the United Nations on October 23, 1985. Let me quote two key sentences:

"... If there are not fundamental changes in South Africa, we are prepared to invoke total sanctions against that country and its repressive regime. If there is no progress in the dismantling of apartheid, our relations with South Africa may have to be severed absolutely."

In that spirit, the Prime Minister played a leading role in the Commonwealth meetings in Nassau and London, and we have raised the issue of apartheid at the Economic Summit, the founding meeting of La Francophonie, and in countless bilateral meetings. Canada has acted on all the Commonwealth sanctions drawn up at Nassau and London. That means we ban airline links, new investment,

agricultural imports, new loans, tourism promotion, imports of uranium, coal, iron and steel, and place restrictions on Visas. We have terminated a longstanding agreement that prevented double taxation between our two countries. The Prime Minister has gone personally to southern Africa, to demonstrate our support for the Front Line States, and to announce practical measures of assistance.

We intend to continue to play a leading role in taking new measures ourselves, in seeking to organize concerted action by several governments, and in persuading our friends and Allies to act against apartheid.

No international question has occupied more of my time, nor the Prime Minister's, than consideration of a means by which Canada can help fight apartheid. Mr. Mulroney's conversations in Africa this month have intensified his conviction that Canada must do everything we can to end that evil system. That is a purpose to which the Prime Minister, the Foreign Minister, and the government of Canada are committed absolutely. That is understood in the Front Line States; it is understood among countries like India who are allied with us on this issue; and indeed, it is understood among the leaders of other Western countries, who may have a different view of the means to achieve progress against apartheid.

We made two strategic decisions earlier on. The first was that, if Canada was to exert any real influence against apartheid, our bottom line position had to be clear; if nothing else works, we will end our diplomatic and economic relations with South Africa. The second decision was that Canada's influence against apartheid could be better employed by building steady international pressure than by suddenly and dramatically ending our own relations. Our influence with others is greater than our trade with South Africa, and we intend to steadily exert that influence while we gradually restrict that trade.

In my discussions with Canadians about South Africa, I find no support for apartheid. The regime is generally seen as reprehensible and wrong. But I do encounter three concerns that must be faced. One is a

general scepticism about the effectiveness of sanctions anywhere. A second is the question as to why, in a world where human rights are too regularly violated, South Africa is singled out. The third is an apprehension about the methods and the motives of the African National Congress. Those concerns sometime mask more suspect sentiments, but each issue is legitimate itself, and must be addressed if we are to continue to build the consensus in Canada against apartheid.

Reservations about sanctions are shared by many of the most articulate opponents of apartheid in South Africa, and by other serious people everywhere in the world. Let me summarize their concern. Sanctions can be circumvented. They were in the case of both Rhodesia and the Soviet Union, and the ingenuity of the sanctions-busters has been mobilized again in South Africa. Sanctions distort and restrict the international trade and payment system, upon which world prosperity depends. They can harm some of the victims of apartheid, and certainly impose some price upon countries invoking sanctions. Their burden falls unequally upon the nations most exposed to South Africa, most vulnerable to retaliation.

Certainly, it seems to us that a policy based solely on sanctions would not mount the pressure we need. For one thing, we see little likelihood of the governments of major economies applying sanctions on the scale that would be required to force Pretoria to change. That result may come in time, and certainly Canada will use our influence to build the weight of sanctions, but it is not realistic to expect an impenetrable wall to be set up suddenly, or even quickly.

On the other hand, sanctions are one of the few peaceful options open to countries opposing apartheid. They are visible and tangible proof to the average South African that the world sees their system as repugnant, and they demonstrate to the victims of apartheid that other nations are prepared to do more than talk. The current set of sanctions has undoubtedly contributed to the growing stream of private decisions to take money out of a system that is evidently less stable. Sanctions add to the cost and to the inconvenience of maintaining apartheid.

In any discussion of sanctions, it is worth noting that South Africa itself imposes on its neighbours sanctions and restrictions on trade that have an impact beyond any barrier the West has placed in the path of South Africa.

Canada's policy also involves scholarships to blacks, support to NGO's, helping the victims of apartheid, a code of standards affecting Canadian businesses operating in South Africa, and other measures. Coupled with sanctions, these constitute an effective package; without sanctions, the other measures would have little effect. Indeed, in the quarter century since South Africa's departure from the Commonwealth, when the rest of the world avoided sanctions, Pretoria avoided change. If there has been some movement recently, it is partly because sanctions have been introduced. The question now becomes: What further sanctions will be effective, at what pace, in the company of what other measures?

The question of singling out South Africa is easier. South Africa singles out itself. Apartheid is a unique system of racial prejudice built into the Constitution. That deliberate constitutional inequality is even more offensive in a society which otherwise pretends to respect the standards of Western democracies and free societies.

Human rights questions are of primary concern to a country like Canada. The Prime Minister has raised specific questions directly and personally, in Korea, in China, in Zimbabwe, in meetings with Soviet leaders. I do the same, and sometimes we are successful.

The problem is more difficult in countries that make no pretense to freedom, and operate isolated or limited economies, as in the case in the Soviet system. But I have worked as hard to free Danylo Schumuk from prison in the Soviet Union as I have to free Nelson Mandela in South Africa. And certainly I do not accept the implication that we must have free societies behind the Iron Curtain before we can insist on real movement towards equality in South Africa.

On that point, you will recall that, a year ago, President Botha promised that he would release Nelson Mandela when Anatoly Shcharansky, Andrei Sakharov, and a South African officer captured in Angola were released. We did not accept that linkage. Mr. Mandela should have been set free for South African reasons, whatever the fate of other prisoners in other countries. But since Mr. Botha raised the point, it is worth noting that Mr. Shcharansky is free in Israel; Mr. Sakharov is free in Moscow; why is Nelson Mandela still in prison in South Africa?

I have met three times with representatives of the African National Congress, most recently in Ottawa with Mr. Makatini, their foreign policy spokesman. The Prime Minister and I both look forward to meeting Mr. Tambo in months to come.

Canadian critics of the ANC condemn both its resort to violence, and the association of some of its leaders with the Soviet Union. Those are genuine concerns, which limit seriously the ability of ANC spokesmen to reach Canadians who profoundly oppose apartheid. Let me deal with both briefly.

The whole region of Southern Africa is caught in a downward spiral of violence. The root cause of that violence is apartheid, and that spiral will not be broken until apartheid is dismantled. That can happen violently or it can happen peacefully. As the Prime Minister said at Victoria Falls, we do not support violence. Canada is doing everything we can to promote peaceful change. At the same time we can understand that so oppressive a system as apartheid, when peaceful means have changed or closed, gives rise to violent opposition.

The African National Congress had fifty years of non-violent history until they were banned in their own country. Their leadership includes many who are moderate, and some who are not. If countries like

Canada turn away from the ANC, that would make everyone immoderate, and not only add to the prospect of violence, but give credence to the Marxist component. Soviet influence grows in violence and in vacuums, and it is profoundly in the interest of the West to seek to stop that violence, and fill those vacuums.

Representatives of the African National Congress will be part of the solution in South Africa, whenever it comes, however it comes. Canada's whole purpose is to encourage a peaceful solution that results in freedom and equality in South Africa. We are more likely to achieve both peace and freedom by dealing with the ANC than we are by leaving them to extremes.

As has been noted, the world's purpose is to bring South Africa to its senses, not to its knees. We are seeking to change an evil social system, not cripple a strong economy. Canada would welcome more trade with a South Africa free of apartheid. We pray that the prejudice ends before violence disrupts all order in the sub-continent. With that in view, we must all seek means to keep lines open to all parts of South Africa - black and Botha, Buthelezi and Tambo, Mandela and Afrikaner. The worst result would be for us to cause the Botha Government to change its view, and then not have the channels to effect that change. Mr. Diefenbaker, a quarter century ago, spoke not only of the repugnance of apartheid, but also of the "Light in the Window" that would welcome a South Africa without apartheid.

As I watch Pretoria's Ambassador to London come home to run against his President's Party, as I see Gavin Relly travel to Lusaka to meet the ANC, I ask myself, "If I were a Minister in the Government of South Africa, and decided what we were doing was wrong, and I wanted to change it, not just protest, whom would I talk to, where in the world outside South Africa could I seek support?" The dilemma is that, as we isolate a repugnant regime, as we must, we also reduce the opportunities for that regime to change.

The best response to that dilemma was the Eminent Persons Group of the Commonwealth, who offered a route to change. Their overture was rejected, violently, and that moment was lost. No one believes that distinguished group can be reconstituted, but the idea it represented should not be abandoned. As you consider sanctions here, as you discuss the isolation of South Africa, please also consider ways to keep lines open, to keep the light in the window.

The second theme of your conference is regional development, and the question of supporting the viability of South Africa's neighbours becomes more important every day. That support must be moral as well as tangible, which is why the Prime Minister travelled personally to the Front Line States.

We have increased substantially our direct development assistance to Zimbabwe, Zambia, and Botswana and, through the Southern African Development Coordination Conference, to Mozambique, Angola, Lesotho and Swaziland. We are committed to provide \$400 million in bilateral assistance to Southern Africa over the next five years.

We attach particular importance to SADCC which brings together nine states in a cooperative effort to develop the regional economy and to reduce their economic dependence on South Africa. Canada was a partner in SADCC from the beginning and is a major contributor to it. Our assistance has steadily increased. We expect to disburse approximately \$30 million a year over the next five years to SADCC.

Since 1983 Canadian development assistance totalling almost \$140 million has been approved to twenty-one SADCC projects. An additional nine projects worth almost \$30 million are in the pipeline. We are involved in regional agricultural projects, the strengthening of SADCC institutions, and capital investments in energy, transportation and communications.

SADCC's commitment to developing alternative transport routes to those through South Africa is central to its objective of increasing regional economic independence. The success of this goal is nowhere more important than in Mozambique, where Renamo guerrillas have disrupted internal agricultural production and transport links vital to the region.

Canada has provided large-scale food aid and relief to Mozambique. Through SADCC we are a major contributor to the rehabilitation of the Nacala rail line and we are monitoring closely plans to upgrade Beira. We call on South Africa to cut off support for Renamo, leaving Mozambique free to develop unhindered.

In Mozambique, the NGO community is carrying out several projects, including a bilaterally-funded rural development project administered by CUSO. Among other projects, expansion of an earth satellite station and a study of the food distribution system are in progress.

The government will look sympathetically at the question of further aid to Mozambique. I understand that the recent Canadian mission to Mozambique organized by the NGO community was very successful. My colleague, the Honourable Monique Landry, and I have received the mission's report and will be considering its recommendations. Mme Landry will be discussing the situation in Mozambique with Minister of Information Hunguana next week in Ottawa.

We are also working closely with SADCC and some of the individual states to encourage private Canadian investment in the region. This will include the provision of appropriate forms of government assistance.

It is important that we coordinate our efforts with other countries who are committing significant resources to aid and development in the region, so that our programs reinforce one another. In particular, we want to work closely with the Non-Aligned Fund for Africa, and earlier this month in New Delhi, I discussed with Prime Minister Gandhi arrangements by which Canada and the Fund for Africa can work together.

In the short space of the last two years a lot has changed respecting South Africa. Western nations have begun along the path to sanctions. The ANC is accepted increasingly as an interlocutor, Barclay's Bank and other enterprises are pulling out. Dissent is growing within the white community in South Africa. There is more focussed and coordinated attention to the requirements and the development of the Front Line States and the South African regime has changed some of its petty apartheid and other laws. But there is also a great deal that has not changed. Systematical racial discrimination rests at the core of South Africa's policy. Black South Africans cannot vote or live as equals in their own country. The press is muzzled, children are imprisoned, violence has increased. The

sober warning of the Eminent Persons Group is as true and compelling as ever. They warned that, "the alternative to a negotiated settlement would be appalling chaos, bloodshed and destruction, it could be the worst bloodbath since the Second World War".

Canada had introduced sanctions. We are increasing our help to SADCC and to the Front Line States. We are dealing with the ANC, cooperating with the Fund for Africa, persuading our Allies to increase pressure and applying our influence within the Commonwealth, and the proper podiums of the United Nations. We will continue to take new measures, preferably in concert with others, so their impact will be greater and the steady pressure against apartheid will continue to build.

Two questions preoccupy us. Whether real change will occur before catastrophic violence and what Canada can do to speed that change. No one can answer the first question and the Prime Minister and I will welcome your responses to the second in your deliberations.

Thank you very much for your attention.

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Speech by the
Right Honourable Joe Clark,
Secretary of State
for External Affairs,
to the Vancouver Board of Trade

Canada

VANCOUVER, BRITISH COLUMBIA

April 22, 1987

I want to talk to you today about Canadian Sovereignty, and Canadian interests, and how we advance them together in a world that has become more competitive and more complex.

Sovereignty is an evocative term that is suddenly so charged with symbolism as to become a kind of shorthand for control over our national destiny. Some have argued that softwood is sovereignty, so are auto parts, so are shakes and shingles. That is a distinctive Canadian definition, that you would find nowhere else in the world. You do not hear the Japanese talking about a trade dispute as an assault on their sovereignty. Indeed, you do not hear Canadians talking about a trade dispute with any country other than the United States, as an assault on our sovereignty. The abuse of the term is not very helpful to clear thinking; worse, it cheapens an important concept.

Sovereignty is in fact a concept in law. It is the legal condition necessary for the inclusion of particular lands and waters within the boundaries of a particular country. It gives that country, within those boundaries, the right to exercise the functions of a state, to the exclusion of any other state.

At the moment, Canada is faced with only one pure sovereignty issue of truly major proportions; the status in international law of the waters of the Arctic Archipelago. Given the singular features of the Archipelago - islands joined by ice much of the year; ice and territory occupied by Inuit and other Canadians for literally centuries - this is a uniquely Canadian issue. The other unresolved sovereignty questions facing Canada are disputes with the United States, with Denmark, with France, regarding certain maritime boundaries or special bodies of water. They are important, but not unique. A great many countries - perhaps even most countries - have these kinds of differences with their neighbours.

The Arctic has a very special place in the Canadian sense of nationhood, and any threats against our sovereign control of that region of our country justifiably provoke the most intense concern. That is why this Government has gone to such great lengths to safeguard our jurisdiction within the Archipelago. In our response to the Special Joint Parliamentary Committee on Canada's International Relations, we have stated four clear goals for our North: affirming Canadian Sovereignty in the Arctic; preparing for commercial use of the Northwest Passage; promoting more cooperation with other Northern countries; and modernizing Canada's northern defences.

The 1985 voyage of the U.S. Coast Guard icebreaker Polar Sea was a shock to all Canadians - not because the transit occurred, but because we had so few means to assert our claim of control. Sovereign claims you can't defend gradually disappear. There was a need to act as well as talk. So we drew straight base lines around the Arctic Archipelago which define the outer limits of Canada's historic internal waters. That was an action which had been contemplated for decades, but never taken. That action was a signal to the world at large that those waters are Canadian, period.

Former governments had barred the International Court of Justice from hearing and judging disputes about our jurisdiction in the Archipelago. Refusing to let your case be heard suggests you are not very confident in your claim. We are confident about our claims to our Arctic, and so removed the reservations of a more timid time.

The Minister of National Defence, Perrin Beatty, has announced the Canadian forces are proceeding with plans for forward basing of CF-18s. Surveillance flights in the Arctic have been increased. Recent military exercises in the North featured one of the largest deployments ever of land forces in the high Arctic islands. The Government is now considering major options to strengthen northern defences in the context of the Defence White Paper. These include increased surveillance capacity and the possible acquisition of Arctic-capable submarines.

We are proceeding with plans to construct, here on the west coast, the world's largest icebreaker - a state-of-the-art Arctic class 8 vessel. Naturally that is important for jobs, and for the advancement of our shipbuilding capacity. But its greater significance is as a major contribution to our effective control of Archipelago waters.

We are methodically putting into place the kind of Arctic infrastructure required for effective occupation and control. That means moving ahead in areas such as hydrography, tide and current surveys, weather forecasting and ice reconnaissance, aids to navigation, regulations, Arctic Marine conservation, and studies leading to the establishment of national parks in the Arctic.

That is what sovereignty is about - developing the means to control what is ours - developing the reality that others who use our territory do so on our terms.

Let us be clear. There will be use of the North. It is not a museum, or some unreachable part of outer space. Many countries - some friendly, some not - already possess the means to live and move on ice, through it, above it and below. There will be increasing commerce there, increasing interest, increasing strategic importance. The question is not whether the North will be used. The question for Canadians is whether the use of our North will be on our terms. This Government believes our interest in that area has been too sporadic, more vision than vigilance. The vision is essential, but so is the vigilance, and that is the process we have begun.

One element is to establish rules for use. We intend this Parliament to pass the Canadian Laws Offshore Application Act, to extend the application of Canadian Law in the Arctic and other offshore areas. We are engaged in talks with the Americans to establish rules to govern the voyage of vessels like the Polar Sea, rules that reflect, to quote the words President Reagan added to his recent speech in our Parliament, "Mutual respect for sovereignty".

These actions are all designed to advance the major issue of sovereignty before us now. Obviously, in the process of asserting sovereignty, we also affirm Canadian identity. But identity is different from sovereignty; it relates to who we are as a people, rather than what we are in law. The judgements are inevitably personal, and I have my own view that we are steadily becoming a nation more sure of itself, more distinct from others. Certainly, if some Canadians aren't sure who we are, there is no doubt about our identity in the wider world - no doubt in the Commonwealth; no doubt in the GATT, nor in refugee camps, nor United Nations agencies, nor among the populations who remember, directly or in folklore, Dieppe or Vimy Ridge.

Ironically, we are asserting that distinct identity in a world that is becoming more and more interdependent.

Consider what is happening to national economies.

A decision about a microchip in Japan triggers a major trade action in the United States, which literally ripples through the world economy. Ask B.C. farmers about the effect of Europe's Common Agriculture Programme. Ask roughnecks in my constituency about the effect in Alberta of a decision in OPEC.

Old notions of national autonomy are changing even for the largest economies. Financial markets are becoming truly globalized for the first time, with major new centres participating in computer-based, twenty-four hour international trading. Exchange rates remain fluid and volatile. No country can ignore dramatic changes in technology or rapid shifts in competitive advantage.

Over the next decade, the question of how to handle trade in services, and trade-related investment measures, is going to emerge worldwide as a major and contentious issue. Agriculture is becoming a key battle zone between the imperatives of free international trade and the domestic interests of less competitive producers.

We once assumed the total sovereignty of strong nations. That assumption is under attack in a hundred other ways. Transboundary pollution is having an increasingly pernicious impact on the heavily industrialized regions of the world. The spectre of foreign-generated toxins arouses nationalist indignation, and drives home the point that without international cooperation the environmental crisis will just get worse. Something approaching a siege mentality can be generated by other forms of incursions - communicable diseases such as AIDS, illegal refugees, communal violence and acts of terrorism linked to foreign strife.

Even in an area as fundamental and seemingly straightforward as national defence, changes in technology and strategic thinking have made it impossible for nations to seal themselves off behind their own defensive lines. Geography shrinks to insignificance as the machinery of destruction expands its reach, inter-continentially and potentially into space.

All these hard realities are conspiring to make nations feel vulnerable to threats, real and perceived, from beyond their borders. There are certain key realities here which I believe deserve special emphasis.

First, these trends affect all nations - not just Canada. Shared vulnerability and the spilling over of big issues is a global phenomenon.

Second, the reality of interdependence is raising concerns in a great many countries - not just in Canada - about what is called "sovereignty".

Third, it is clear that international negotiation and cooperation across a great range of issues has become an absolute imperative. Whether in international economic relations, environmental questions, terrorism, or defence, there is no alternative to cooperation. And cooperation necessarily involves compromises. Those who cannot accept current international realities are not really defending sovereignty, although they may be fixated on that word. They are instead pursuing a fantasy of total national autonomy, something which is now impossible even for the Superpowers. For example, one traditional symbol of sovereignty is that we each treat our embassies abroad as our own national territory, impervious to foreign intrusion. Tell that to the Americans in Moscow - and then view the problem, not as an isolated incident, but as a symbol of the way the world intrudes on nations.

Fourth, cooperation is not surrender. To freely become party to the GATT, or to NATO, or to any international covenant, is itself an exercise of sovereignty. Constraints on unilateral national action may necessarily follow when a nation becomes party to an international agreement. But any country worth its salt will sign on only when it gets at least as much out of such an arrangement as it is required to give up.

This Government has faced an enormous challenge in the area of Canada/U.S. trade. We must face international economic realities, face the fact that Canada is one of the few industrialized Western nations without secure access to a market of at least 100 million people; face the fact that protectionist forces are exerting enormous pressure on the U.S. Congress. We are working to build a better and more secure trading relationship with the U.S., which buys three-quarters of our exports. Our economic prosperity is at issue. It is economic prosperity, in turn, that gives us the capacity to maintain the armed forces that defend our sovereignty. It is economic prosperity that underlies the cultural industries that help define our national identity.

Liberalization of trade between Canada and the United States has conjured up all kinds of Cassandras contending that Canadian cultural institutions and regional development support might be negotiated out of existence or seriously crippled. This Government is absolutely committed to preserving these and other vital national interests. I could keep repeating that, as I have repeated it, until I grow hoarse. But I think it is best to say simply that no one is more aware than I am that we will be judged by what the package ultimately includes. If it should include elements that jeopardize our national interests, our cherished national institutions, or our capacity for cultural self-

expression, Canadians would reject it and us. It will not include such elements, and I would not associate myself with an arrangement that did.

Any change excites fear, and certainly some of the criticisms of our trade initiative are almost frantic in their fear. Let me deal briefly with two of those arguments of fear.

One is the fear that we will lose our independence, particularly in foreign policy. The other is the fear that Canadians can't compete. Both fears sell Canada short.

Naturally, Canada and the United States agree on a number of foreign policy questions. We are both North American nations, with democratic traditions, and free societies and economies. We also agree, on most foreign policy questions, with other open societies - Britain, France, Germany, Italy, Australia, Japan, the Nordics, and a long list of other countries. But because we agree with Holland on NATO doesn't make us Dutch. Because we agree with Australia on freer trade in agriculture doesn't make us Aussies. The standard for judging a Canadian policy should not be whether it agrees or differs with some other country. The standard should be whether it serves Canada's interests. It is absurd to suggest that we compromise our independence when we agree with the Americans on some international issue. It would be equally absurd to assume that taking issue with the Americans, over anything at all, makes us somehow more sovereign.

Let me take the case of the NDP. They want Canada out of NATO. They are, incidentally, more extreme in their position than are the socialist parties of Britain, Germany, Italy, or any other NATO country. Even among socialists, the NDP stands alone in wanting to take its nation out of NATO. In my view that reflects a fundamental anti-Americanism that colors NDP policy in trade, in defence, and other international questions. But I refer to it today because it is also a position that is contrary to Canada's interests, not simply in traditional defence, but in arms control. Six days ago, I was in Brussels, with other NATO Foreign Ministers, taking part directly in discussions that may lead the world, finally, to net reductions in nuclear arms. That is in Canada's interests. Yet the NDP thinks Canada shouldn't be there. We believe it is better to be changing from the inside rather than preaching from the outside.

It is possible to agree with the Americans on some issues, and disagree on others. That is what we do. For example, they embargo Nicaragua; we don't. They invite Government-to-Government research in SDI; we decline. They pursued a policy of so-called constructive engagement in South Africa, which didn't work; we have led the application of a policy which holds better prospects of bringing peaceful change to a subcontinent threatened by chaos. The Americans and the British quit UNESCO; we stayed, to reform it from within, and we are succeeding. From issues through acid rain, to Arctic sovereignty, to the nature of our aid programmes, Canada and the United States have different views. Sometimes by sitting down and discussing our differences, we make progress, as we are, gradually, on acid rain - and on trade. These are important questions, important disagreements. We lose neither independence or influence by pursuing Canadian interests for Canada reasons. The alternative approach - to get out of NATO, to get out of NORAD, to get out of trade talks - would be to refuse to pursue Canadian interests because the Americans happen to share some of them. That would be absurd and, among other things, would limit our ability to contribute to progress in acid rain, in arms control, in the fight against protectionism, on other vital Canadian interests. That would be to abandon Canadian interests - in real terms, to abandon Canada's influence and independence, by becoming a preacher instead of a player. The Prime Minister and I are here to advance Canada's interests internationally, not to walk away from challenge.

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Speech by the Right Honourable
Joe Clark, Secretary of State for
External Affairs, at the
Commonwealth Conference
for Young Leaders

Canada

OTTAWA, ONTARIO

September 11, 1987

After a week, most of you will have been immersed in the history of the Commonwealth, and rallied to common traditions you might otherwise have never known you had. That is important in a family like ours, because we are far flung, we do not often get together, yet we are unique in both our roots and our relevance. But history is a moving process, and the Commonwealth an actor, not an artifact. So I want to focus my remarks tonight on what we are doing, and can do in the future. Let me place that in the current international context.

Immediately after World War II, an enormous proportion of the world's power rested in two countries - the U.S.A. and the U.S.S.R. Two military blocs took shape which, in effect, divided world power. The countries not in those blocs were the Third World, and there weren't too many of them in 1945 or even 1955. Since then, dozens of countries have become independent, and stayed out of the military blocs. Many of them have industrialized, and some have become major economic powers.

At the same time, changes in communications and technology created what Marshall McLuhan called "The Global Village", in which our weapons, our subsidies, our successes, our failures, ripple beyond our borders in ways we can't foresee, and can't ignore.

International organizations grew up around these various clusters of countries - NATO, the Warsaw Pact, the OECD, the Non-Aligned Movement. More sets of international rules and standards were agreed to - the General Agreement on Tariffs and Trade, the Non-Proliferation Treaty and, through the United Nations, agreements on standards in Human Rights, the Environment, Refugees, Health and other issues. The UN is a permanent meeting place for all nations, sometimes stronger, sometimes weaker, always essential. For a period, we discussed international issues, particularly economic issues, mainly in a "North-South" context, North being defined more by wealth than by winter; South being defined by underdevelopment. But that line too has started to blur in the last decade or two. We have become more completely a world community, as we grow to understand that the major issues leave none of us alone.

But agreeing to build a system does not necessarily mean agreeing to make it work. There has to be a will to work together internationally, and often that will cannot be created artificially.

Indeed, sometimes the will to work together leads countries to reach beyond old groupings, and form new issue - specific coalitions, sometimes against old friends. That is happening today in agriculture, where an Australian initiative, called the Cairns Group, has drawn together countries like Canada, Hungary, Zaire, Thailand, Argentina - that is to say, countries from NATO , the Warsaw Pact, ASEAN, the Non-Aligned Movement, and others - to try to force changes to the subsidy practices of the European Community, the United States, and Japan.

In these world circumstances, there is an unusual value to international organizations that grew up together, as distinct from international organizations that were put together. It is, indeed, the difference between a family and an organization.

The Commonwealth is a family that works. In addressing major world issues, it has changed the course of events. One example was the problem of the supply of western arms to South Africa. As a result of Commonwealth decisions, in the early 1970's, several countries which were once major arms suppliers joined the military embargo against Pretoria, adding directly to the costs to Pretoria of its racist policies.

The Commonwealth also works in practical everyday ways. One of the best examples is the Commonwealth Fund for Technical Cooperation. It is virtually unique in that almost all members contribute, and it makes maximum use of experts from developing countries. Its various programs cover the spectrum of development assistance. The General Technical Assistance Program helps countries obtain qualified experts from abroad. The Program of Fellowships and Training sends students throughout the Commonwealth. The Export Market Development Program offers assistance in promotion, marketing, organizing trade fairs and export regulations. A small technical Assistance Group helps with taxation, law, statistics, and finance. Under this Program Canada has helped Botswana with health planning, Vanuatu with lumber exporting and Tuvalu with free legal services. A Canadian Computer Project helps 17 countries keep accurate and up-to-date statistics on their international debts.

One of the best examples of Commonwealth cooperation is one of its first joint endeavours - the Colombo Plan. In 1950 Canada joined other donors in assisting the three newly-independent countries of India, Pakistan and Sri Lanka. This was the first major international initiative to assist third world countries. It became a model of international cooperation, and soon spread to Africa and the Americas. That work continues and the Commonwealth now accounts for 40% of Canada's assistance.

New initiatives continue to be launched, a major one being the Commonwealth Immunization Program which came out of the 1985 Heads of Government Meeting in Nassau. Every year five million children die from preventable diseases and an equally large number are crippled. In response Canada launched a 25 million dollar program which has increased global immunization from 25 to 30% - not perfection, but a significant step in the right direction.

Of course, the Commonwealth family also works politically in developing consensus and in taking concrete actions, such as the process which led to the independence of Zimbabwe, and the action on the NASSAU declaration on South Africa.

It is easy now to think of Zimbabwe as just another independent African state. In fact, some short years ago, it had a white minority government that showed no signs of compromising. The Commonwealth kept that problem in the public eye; achieved agreement on steadily-increasing pressure, both political and economic, undermined international support for the Smith regime; and facilitated the negotiation of a solution. More than anything else, that success carries hope for the future of all Southern Africa.

One of the most interesting features of Commonwealth meetings is they soften sharp edges. They make debate possible among countries who differ in their economic conditions, perspectives, their international affiliations.

I had the honour, in 1979, to lead the Canadian delegation to the Commonwealth Conference in Lusaka. That was a summer of three major international conferences. The first was the Economic Summit, in Tokyo. The second was the Commonwealth Conference in Lusaka and the third was the meeting of the Non-Aligned Movement in Havana. No nation attended all three. No one from Tokyo was at Havana; no one from Havana at Tokyo. However, countries from the Economic Summit and the Non-Aligned Movement came together in the Commonwealth - and found ways, in the intimacy of that family meeting, to make progress that would have been impossible issuing communiqués across the distance between the Economic Summit and the Non-Aligned Movement. I think part of Lord Carrington's inspiration in inventing the phrase "megaphone diplomacy" is that he had experience of the opposite, in the intimacy of the Commonwealth, where there is often a real will to work together.

On difficult questions, the Commonwealth must often choose between staying united and being effective. In some cases, obviously we are most effective by being united. In others, unity must prevail, even at the cost of action. But it is Canada's view that, on the question of fighting apartheid, it is more important that the Commonwealth be effective than we be united. In 1961, and certainly since Nassau, this Commonwealth has played a central role in building steady international pressure to end apartheid. The Eminent Persons Group, while it failed to achieve the negotiations it sought, demonstrated the unique credentials and capacity of the Commonwealth in seeking a peaceful end to apartheid. We are, after all dealing with a former member of the Commonwealth family, in a region where our cooperation has already helped achieve profound change in Zimbabwe and real progress in economic cooperation and human development. The pressure against apartheid, by the Commonwealth and others, has unquestionably been effective both economically and psychologically. So far, tragically, the initial reaction in South Africa has been to become more brutal - but that very repression drives more moderate members of the white community to take their own stand for reform. External pressure encourages that internal change, and we must find the ingenuity to apply pressures that contribute materially to the certainty that apartheid cannot endure, and must be ended.

Let's be realistic. South Africa hopes there will be a pause in that pressure. They hope that a disagreement about sanctions will divert us from our central task of continuing to build the pressures that could end apartheid. There can be no pause in that pressure - there can be no levelling off. Our duty is to find effective means to hasten the end of apartheid and to sustain those who fight on the front lines.

At Nassau, the instruments were sanctions, scholarships, and other aid to the victims of apartheid. Those must all be considered as we prepare for the Vancouver meeting. But we should also look to other means, and representatives of several Governments, and the Secretariat, are engaged in that process now.

Clearly, one important challenge is to contribute to stability in Front Line States, to make them less dependent on South Africa. Stability requires, among other things, transportation systems that won't break down and aren't blown up. Many of those systems run through Mozambique, where bombings and sabotage occur every day. Mozambique is not part of the Commonwealth, but it is a key part of the fight against apartheid. For that reason, Prime Minister Mulroney has invited the Foreign Minister of Mozambique to be in Vancouver during the Commonwealth Conference.

Commonwealth countries are already involved in many projects in the Front Line States. Some concentrate on infrastructure; some on security; some on other training. The Non-Aligned Fund, under India's leadership, wants to be active there. SADCC - the Southern African Development Coordination Conference - is a very effective coordinating institution. Despite that interest and activity, the region stays destabilized. The question is whether we can find effective ways of keeping railways running; to use SADCC ports; to protect whole systems against terror and disruption. If we can, the economic effects would be significant. Traffic that now must run through South Africa would be free to move through the Front Line States, shifting the economic balance toward the countries we want to help.

I do not know if we will find a way that works. Certainly, it is easier to pass resolutions than to put together effective packages. A characteristic of the Commonwealth is that we have been as interested in real solutions as in resolutions. That is the spirit in which Canada - and every Commonwealth country I have spoken to - is approaching the Vancouver meeting.

Prime Minister Mulroney has made clear our willingness, if other measures fail, to end completely our economic and diplomatic relations with South Africa. It may come to that, but, before we end our influence, we want to use it in the most effective ways we can. The purpose, after all, is not just to conde to end it.

I want to make one reference to violence. The Canadian Government does not condone violence by anyone - not the Government of South Africa; not the African National Congress; not the violence that is at the core of apartheid. It is that basic violence - the violence at the heart of apartheid - which must be ended if the other is to end. Public opinion, particularly in Western countries like mine, must be brought to understand that organizations like the ANC practised non-violence for decades; that leaders of the UDF, explicitly non-violent, are thrown in prison anyway; that the deaths that shock us all come far more often from the actions of the Government than the actions of the ANC. Since 1976, it is estimated that there have been 100 to 200 deaths attributable to ANC guerrilla attacks. A recent survey by Pretoria University alleges the South African Government was responsible for over 2300 deaths in 1984 to 1986 alone. No discussion of Southern Africa can ignore those facts.

The Commonwealth of nations will be here long after apartheid is gone. A changed South Africa may be a member again, back in the family. And then there will be other dominating issues - as there were when the Colombo Plan was created; when Zimbabwe grew out of Rhodesia; when programs were launched specifically to help small States. The nature of those issues can't be foreseen - but the way of resolving them can be. The best way for the world to solve problems is to bring together the different peoples, the different parties. Most international organizations try to do that. In 1987, and for the foreseeable future, few do it better than the Commonwealth.

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STATEMENTS AND SPEECHES

Statement by the Right Honourable
Joe Clark, Secretary of State for
External Affairs, to the 42nd
Session of the General Assembly
of the United Nations

Canada

NEW YORK, UNITED STATES

September 22, 1987

Mr. President, Honoured Delegates:

A year ago, the atmosphere in this assembly was heavy with a sense of crisis. The financial shortfall of the United Nations, serious in itself, was also a symptom of a deeper worry about the very existence of this Organization.

Canada - and other friends of the United Nations - used this podium to call for reform. I am pleased today to note that substantial reform has begun. That is both a tribute to the men and women who make this organization work, and testimony to the recognition, by most nations, that a strong United Nations is essential to world peace. We are especially impressed with the United Nations resolve to extend reform beyond the institutions in New York, to United Nations Economic and Social institutions throughout the world.

For our part, Canada made a point of paying our 1987 assessment fully and as early as possible. We hope other nations will quickly pay their current and past assessments. Those who call for internal reform have a particular obligation and opportunity to encourage it, once it begins. That good example would increase the pressure upon other powers, whose contributions are consistently delinquent.

During the past year this real internal reform has been matched by solid progress on many of the major issues of concern to the United Nations. Sometimes that progress occurred outside this multilateral organization - as, for example, in the historic breakthrough on an arms agreement between the United States and the Soviet Union, and in the steady pressure against apartheid mounted by the Commonwealth, and in the initiative towards peace launched by the five presidents of Central America. But in many other cases, the world's movement forward was rooted here. Those cases are worth enumerating.

In the ongoing war between Iran and Iraq, Security Council Resolution 598 reflects welcome political will and unanimity in the Security Council, and the Secretary-General is to be commended for his patient, persistent mediation. The Secretary-General's Mission was not as successful as we all had hoped and the speech this morning by the President of Iran can only be characterized as destructive and deeply disappointing. Therefore the Security Council should be reconvened to take the next step. Canada would fully support implementation of the axiomatic second half of Resolution 598, the application of sanctions.

At UNCTAD VII, the consensus statement on trade, debt and commodities may presage a new era of cooperation

between developed and developing countries. UNCTAD VII was an example of an international conference for whose outcome the prognosis was uniformly gloomy. The doubters were wrong. The U.N. scored a major success.

The special session on Africa is beginning to yield concrete results, albeit there is a long, long way yet to go. The international community clearly now recognizes that the majority of African countries are making great efforts to turn their economies around. But the international community must equally recognize that the debt situation for many African countries is desperate, and must be addressed in new and innovative ways or the entire recovery program may collapse. In that context, I welcome the Secretary-General's appointment of the advisory panel on resource flows. We anxiously await its report. As most members of this assembly know, Canada is so concerned about this issue that at the Francophone Summit we announced the cancellation of Official Development Assistance debt for several countries in francophone Africa. Next month, we will do the same at the Commonwealth Conference for anglophone Africa.

The Brundtland Commission has produced a blunt and clear report on the urgency of protecting our resources and environment. In that spirit, in Montreal last week, nations signed an ozone treaty, controlling the emissions of chlorofluoro-carbons. Dr. Mostafa Tolba, Executive Director of the United Nations Environment Program, called it "the first truly global treaty that offers protection to every single human being on the planet". Our government believes that Montreal treaty will serve as a model for future international agreements on the environment.

The Conference on Disarmament and Development just concluded, yielded a remarkable consensus document, holding disarmament and development as essential to national security. It graphically demonstrated the capacity of this organization to find agreement in the most complex fields.

The World Health Organization is recognized as a crucial resource for gathering the statistics and planning necessary as countries struggle to master the world-wide AIDS epidemic.

Within its own doors, the United Nations has made social strides in another field - the equality rights of women. In forty-one years there had not been even one woman permanently appointed as an Under-Secretary-General. Now there are three, and we take particular satisfaction that the first woman appointed is an outstanding Canadian, Madame Therese Paquet-Sevigny, Under-Secretary-General of the Department of Public Information.

There have been other accomplishments in this past year - the successful Vienna Conference on Drug Abuse and Illicit Trafficking; the coming into force of the Convention Against Torture; the International Maritime Organization Draft Convention on Maritime Security and the progress on verification at the UN Disarmament Commission with which Canada is proud to be associated. They are proof of the worth and vitality of this United Nations, and clear evidence of the benefits to be derived by continuing to confront the world's problems together.

The great purpose of the United Nations is to extend the reach of peace and justice in the world. Sometimes, as in the war between Iran and Iraq, its role becomes most acute when all other efforts have failed. In other cases, it can encourage regional initiatives that may lead to peace where peace is threatened or, focus international attention upon injustice that must end. I want to speak today of one initiative we must encourage, and on injustice we must end.

The initiative is in Central America, where the presidents of Costa Rica, El Salvador, Guatemala, Honduras and Nicaragua, have joined together in a genuine effort by all parties to settle their differences peacefully. The surprisingly positive outcome of the Guatemala Summit was the result of many factors. They include the foundations laid by Contadora and the Contadora Support Groups; the preparatory work of the Central American countries; and the concessions made at the Summit by each of the five presidents. That achievement was applauded by us all. But it was only the first of many steps along a difficult road.

Canadian aid to the region has been steadily increasing, as has our funding and acceptance of refugees. We have expressed our view that the root problem in Central America is poverty, not ideology; that the real need is development assistance, not military activity; and that intervention by outside powers will only aggravate the tensions. We have supported the Contadora process, and have made available to Contadora the expertise Canadians have acquired in the techniques of peacekeeping.

Immediately after the Guatemala Summit, two senior officials of our government visited Central America to discuss what more Canada might do. I will be visiting the region later this fall.

Canada supports the initiatives of the Central American presidents. We are prepared to provide our expertise mechanisms which, once peace is possible, can help

it endure. The disputes must be resolved by those actually involved in the conflict, but Canada is prepared to contribute to that process in any direct and practical way open to us.

Mr. President, the injustice which I referred to earlier and which I now want to address is apartheid. Canada's position is clear and on the record. We have acted upon all of the sanctions recommended by the Nassau Conference of the Commonwealth Heads of Government. We have imposed a ban both on new investment in South Africa and re-investment of profits. We have banned the promotion of tourism and ended air links. We have banned the importation of coal, iron and steel. Furthermore we have made it clear that, if other measures fail, we are prepared to end our economic and diplomatic relations with South Africa. We are helping the victims of apartheid, with scholarships, legal aid, and other assistance. We contribute substantially to the development of the Front Line States, both bilaterally, and through the Southern African Development Coordination Conference. We apply our influence, wherever it is effective, to build the pressures against apartheid.

The Prime Minister of Canada met with the leaders of Zimbabwe and Zambia and Botswana in Victoria Falls in February, and I visited Southern Africa six weeks ago, a visit which included a meeting in Pretoria with the South African Foreign Minister. Oliver Tambo visited Ottawa a month ago and met with our Prime Minister and other Canadian leaders. In early September it was our honour to host the second Summit of La Francophonie, in Quebec City, and next month, in Vancouver, we host the Heads of Government of the Commonwealth, the international family to which South Africa once belonged.

We are at a critical stage in the campaign to end apartheid. There must be no relenting in that campaign, no pause in the pressure - because a pause might suggest apartheid is acceptable, and it is not. The pressure against apartheid must continue and increase, and the challenge, in the United Nations and elsewhere, is to find peaceful and effective means to build that pressure. It is not enough to ask others to act.

It is Canada's view that the sanctions imposed upon South Africa have been effective. Specifically, in the first six months of 1987, Canada reduced its imports from South Africa by 51%. But the impact is not only economy, it is also psychological. While the government of South Africa has reacted by limiting liberty even more, growing numbers of individual South Africans have reached out for reform, in meetings in Lusaka and Dakar, and in the private contacts we

must multiply.

The instability in Southern Africa is both an ally and a product of apartheid. One of the most wrenching conversations I have had was with Canadian aid workers in Mozambique, who fear that the projects they build to help people will become targets of terrorists, and put at risk the very lives they are working to improve. An essential part of the challenge in Southern Africa is thus to bring more stability to the Front Line States.

Mr. President, before I conclude my remarks, I want to applaud again the new vitality that has been injected into the global arms control and disarmament process through the important announcement that the United States and the Soviet Union have agreed in principle to work towards the dismantling of intermediate and short-range nuclear missiles. Radical reductions in nuclear arms has always been the core of Canadian policy in this area. None of us can ignore that this is the first time a prospective agreement will actually eliminate nuclear weapons,. This is just the initial step in a long and difficult process, but with continued determination and resolve we can hope to move to agreements on strategic weapons, conventional weapons, chemical weapons and a comprehensive test ban.

Mr. President, I began by talking about the atmosphere of crisis which was so pervasive as we met last year. Today, we must all surely take satisfaction from the atmosphere of hope that surrounds us. Hope, because both globally and regionally there is recognition that a peaceful and secure world is of universal benefit and worthy of relentless pursuit. Hope, because the social and economic evils that beset us are being addressed in a meaningful way. And, finally, hope because this Organization of ours, the United Nations, is reasserting its capacity to play the central role it was designed to play, in dealing with the ills that still plague the international community. The U.N. agenda stretches before us: Afghanistan, Kampuchea, Cyprus, peace in the Middle East between Israel and the Arab States, an end to terrorism, and the relentless human struggle to eradicate hunger and injustice. Somehow, Mr. President, it feels as though we are closer this year than last to tackling that agenda.

Thank you, Mr. President.

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Interdependence: Vulnerability
and Opportunity

The Per Jacobsson Lecture by
Mrs. Sylvia Ostry, Ambassador
for Multilateral Trade Negotiations
and the Prime Minister's Personal
Representative for the Economic
Summit

Canada

WASHINGTON, D.C.

September 27, 1987

Interdependence: Vulnerability and
Opportunity

Mr. Chairman, distinguished guests, ladies and gentlemen.

It is a great honour and privilege for me to deliver the 1987 Per Jacobsson Lecture. The letter of invitation suggested that I might say something about the multilateral trading system so that is what I intend to do. Looking at the list of lectures since 1964, I realized that this was the first time this topic had been the focus of discourse. That omission may be interpreted in many different ways -- which I leave to the audience -- but for me it is another welcome sign of growing awareness of interdependence, the theme of my lecture.

The word interdependence has been overworked in recent years but that is because it captures such an insistent aspect of our reality.

Interdependence has two separate but related aspects: the increasing economic linkage among countries through trade and financial flows and, at the same time a

NOTE: The views expressed in this lecture are those of the author and do not necessarily represent the policies of the Government of Canada.

slightly different concept, i.e. the complex interrelationships between major influences on the world economic system, present and foreseeable. What interdependence entails is amplified risk, and -- since knowledge usually lags behind complex change -- amplified uncertainty. More profoundly, interdependence means that opportunities for joint gains are enhanced but vulnerability is also greatly magnified.

I want to elaborate on the notions of linkage and of interrelationship as they occur in the multilateral trading system and, more specifically, in aspects of the Uruguay Round, the most important negotiations since the formation of the GATT and, without doubt a watershed. But before I do that, I must recall the background for you.

The Punta Declaration of September 1986 which launched the Uruguay Round took interdependence for granted when it stressed the need for "concurrent action" to make the international monetary system work better and increase the flow of resources to developing countries. To put it baldly, the Uruguay Round on its own cannot preserve the multilateral trading system.

In the absence of necessary overall changes in policy the abuse of trade policy will only worsen the imbalances and the disorder in exchange markets. Trade policy is no substitute for macro policy. This audience is well aware of the effects, especially during the 1980's, of the exchange rate system on trading patterns and protectionist pressures. Further, the debt of the middle income countries, whose imports shrank by one-quarter over the 1981-86 period, contributed significantly to the U.S. trade deficit. If the multilateral trading system is to be rebuilt and strengthened, progress in multilateral surveillance and coordination of policy among major industrialized nations is necessary; so is the growth-with-adjustment strategy to address third world debt problems. But these conditions, though necessary, will not be sufficient in themselves. I don't intend to deal with such issues on their own since they have been well rehearsed by my predecessors and in many other places.

Yet -- and I fear this is not well understood by those who focus mainly on macro conditions and policies -- the "not sufficient" is as important as the "necessary". Indeed, the wellspring of protectionist pressures in the OECD, and the rise of the "new protectionism" since the

early 1970's, has been mainly "micro" in origin. The new protectionism reflects incapacity or unwillingness to adjust to ongoing structural change. It is aggravated by supply shocks and by a hostile and turbulent macro environment.

Even without further supply shocks the pressures for adjustment will not abate. What is more, as I shall argue, the world economy faces an unprecedented conjuncture of forces for structural change which capture the two aspects of interdependence, vulnerability and opportunity. Before I go into that I should like to take a brief look at the new protectionism.

The New Protectionism

It sounds like the title of a magazine article -- the new feminism; the new lifestyle; the new skirt-length. But this time it really is new. The new protectionism, because it takes the form of domestic or border non-tariff measures, has been difficult to quantify. There have been plausible estimates of the impact of border measures such as quantitative restrictions, and voluntary export restraints, orderly market arrangements (often GATT-illegal). They suggest

that as much as one-fifth of OECD manufacturing imports were affected by 1980, a quadrupling over the 1970's. In addition, over the same period, the OECD notes a marked increase in domestic industrial subsidies in member countries -- a doubling, in fact, in the share of such transfers in the operating surplus of the manufacturing firms affected. In agriculture, the ballooning of domestic transfers in the industrialized countries has reached monstrous proportions, thus achieving for this sector a dubious distinction as the cautionary tale of political short-termism and economic myopia.

Since 1980, the move to managed trade has not abated. Indeed, despite the so-called porousness of many of the non-tariff measures, during the 1980's the most rapidly increasing protectionist actions have been that subset of NTB's most likely to have the most restrictive effects. There has also been a rise in what is called U.S. "process protectionism," i.e. the increasing use of quasi judicial mechanisms to discourage imports or provoke export restraint. Further, the scope of managed trade has expanded in terms of both industry and country coverage. The protectionist measures applied by the OECD countries after 1980 were mainly directed against exports from each other and from the Newly Industrialized Countries (the

NIC's). In absolute terms, however, non-tariff barriers are significantly more prevalent on imports from developing countries. This is mainly because of the importance of agricultural products and textiles and clothing in the exports of the developing countries.

The new protectionist measures have a number of characteristics which make them particularly threatening to the system. They create a political constituency for their maintenance in both the importing and exporting countries through the generation of scarcity "rents". By fostering trade diversion, both geographic and product-oriented, they build in a dynamic for extension. Often designed to provide a breathing-space for adjustment, they are seldom successful.

The effects on the system are even more damaging. Precisely because they are less transparent and less easily comprehended than are tariffs they evoke little public reaction as the system is slowly transformed. But the new protectionism, by violating the basic principles of the GATT, weakens external counterpressure to domestic protectionist demands. GATT itself loses authority. In sum, there is little in the history or analytics of managed trade which promises

self-correction. There is thus no escaping the need to deal with the political economy of structural adjustment, both at home and internationally, if we are to halt and reverse the erosion of the multilateral trading system. This is especially true in view of the powerful structural changes now overtaking the world economy.

I want to talk about the
Sources of Structural Change

The strong pressures for adjustment in the OECD since the 1970's came from several sources: the rise of the NIC's and the increasing challenge from Japan; continuing technological change, especially in information technology; severe commodity and oil shocks; and the breakdown of the Bretton Woods system of fixed exchange rates. The process of structural adaptation, difficult under the best of circumstances, was impeded by a number of government actions. Imposed mainly during the 1960's and early 70's, these measures had the unintended effect of impairing the capacity to adjust. The degree of impairment, it's true, varied significantly from country to country, being more acute in Europe than in the U.S. or Japan. Slower growth in the 1970's and the deep recession of the 1980's also inhibited mobility and adaptability.

In the earlier postwar decades, when a major industrial transformation took place, the unprecedented surge in real growth made the process of structural adaptation appear almost effortless, much of the reallocation of resources coming out of the growth margin rather than out of someone else's hide. The virtuous circle of the golden decades is familiar: the dismantling of protectionist barriers in goods and capital markets both fed and was nourished by increasing investment, technology transfer and productivity. The consequent robust and sustained rise in growth both facilitated and was enhanced by structural adaptation through improved market signals from the international economy. Since the new protectionism functions to inhibit the flexible response of markets to price signals, the growth of economies is also checked. Slower growth begets slower growth.

The rise of the new protectionism and other symptoms of malaise such as high levels of structural unemployment reflect the "unfinished business" of adaptation to the structural changes of the 70's and early 80's. Unfortunately, the world won't stand still while we tidy up.

Indeed, that other inheritance from the past -- the gross external imbalance in the OECD and the debt of the developing countries -- while macro in origin will require more than macro policy changes in the industrialized world and in the NIC's. It will also require unprecedented structural adaptation in both the OECD and the developing countries. Such structural adaptation is essential if world growth is to be sustained and the multilateral trading system preserved. The required switch in resources within the U.S. economy from domestic absorption into the export- and import-competing sector will entail massive sectoral and regional reallocation of the labour force. It will also demand historically unique levels of investment both from domestic and foreign sources. (It is worth noting that in the course of these adjustments investment flows may well dwarf trade flows yet no multilateral disciplines exist to improve predictability and resolve disputes.)

The opposite structural changes are needed in the surplus countries, Japan and Germany and also from the NIC's. Because of ever-closer linkage, the effect on the non-OECD world of these changes in external balances will also be very significant. The reason is clear: by mid-decade the U.S. was absorbing over half of Latin

American and one-third of East Asian exports.

Protectionist pressures will shift with changing current account positions. The riddle of the 1990's will be: deficit, deficit, who wants the deficit? Let us hope Lord Lever is wrong in remarking: "It used to be said that when America caught a cold the rest of the world got pneumonia. The way we are going, when America gets well the rest of us will get influenza."

How structural adaptation is to be achieved in confronting global imbalance over the coming years has been widely debated by finance and trade ministers and their policy advisors. Less noted and certainly less integrated in that policy debate has been another development. Since the late 1970's, the pace and nature of change in information technology has evolved into a new technological revolution, one of Schumpeter's "creative gales of destruction." This type of pervasive change in technology does not occur often, perhaps two or three times in the past 150 years. As in each instance of transformation to a new "techno-economic paradigm", it will impose far-reaching change in the structure of industrial output and skills, the organization of production as well as the international division of labour.

It is indeed this unique conjuncture of circumstances -- the major imbalances in the world economy and the onset of a new technological revolution -- which represents the double aspect of interdependence, the magnification of vulnerability and opportunity. The opportunity is that the information-technology revolution creates the potential for a quantum leap in overall productivity and growth which could ease the transition to a more sustainable pattern of external balances and global debt. This could be the way back to the longed-for virtuous circle. But it is contingent on the structural change necessary for its diffusion both at home and internationally. And therein lies the vulnerability. For the risks of impeding adjustment are magnified by this technological transformation. The information revolution, again uniquely, entails a trend to ever-greater international integration of production, services and markets. In this way it provokes further resistance to changes in the international division of labour. As we shall see, this was a major consideration in the launch of the Uruguay Round to which I now turn.

The Uruguay Round

The Uruguay Round was, as I have said, launched in Punta del Este in September 1986. The event was rightly

greeted as new evidence of the improved international economic cooperation which had begun a year earlier at the Plaza Hotel. The Plaza meeting was followed by the Bank/Fund meetings in Seoul, with its unveiling of the Baker initiative on debt, and the blessing of multilateral surveillance at the Tokyo Summit in May. These welcome events improved the atmosphere for the Uruguay launch but it must be admitted that a powerful spur to action in Punta was fear. Coleridge's aphorism is apt; "Fear gives sudden instincts of skill." It was not only the steady, largely invisible, systemic erosion of the GATT that moved the assembled trade ministers to begin the negotiations. It was also the very visible and growing external imbalances, with the accompanying protectionist fury of the U.S. Congress, and nightmare visions of "hard landings", which concentrated minds early that morning.

A serious flaw in decisions inspired by crisis is that delay as the crisis builds may allow time for obstructions to a genuine solution. A multilateral trade negotiation has been a traditional remedy, by and large successful, for diverting or deferring protectionist claims in all countries. The U.S. had been trying to launch a new round since the end of 1982. As we have seen, over the ensuing years, protectionist pressures and

actions had flared up, sapping the credibility of the GATT and thereby weakening the potential countervailing force of the negotiation. Thus the reasons for the delay in the launch are important to understand in assessing prospects for the Round itself.

The ostensible reason for delay was the opposition of the G-10, a small group of developing countries led by Brazil and India which, largely on legal grounds, opposed the inclusion of the so-called new issues of trade in services, intellectual property and investment. I shall discuss this shortly. But G-10 opposition could probably not have prevented a launch had the three major trading powers -- the U.S., Japan and the European Community -- been able to agree on timing. The apparent disagreement between the U.S. and the E.C. largely stemmed from the political and institutional complexity of the trade policy formulation process of the Community. The process is inevitably cautious and lengthy, especially when important policy differences exist among member states as they do in agriculture.

There is nothing new about the impact of domestic policy formulation processes on strategic aspects of international decision-making. The troubled birth of the

GATT itself reflects the hostility of the U.S. Congress in the late 1940's to the Charter of the International Trade Organization, the I.T.O. But the significance of this phenomenon is very different today, in a world that lacks an undisputed hegemon. Professor Kindleberger points to the heart of the matter when he argues that international public goods -- in this instance, the liberal multilateral trading system -- will tend to be underproduced in the absence of world leadership. And, as I hope to show before I have done, it is also the core issue and key challenge of the Uruguay Round.

Returning to the major hitch in launching the talks, i.e. conflict over the inclusion of the "new issues", especially services; it seemed to me that though the debate was couched in legalistic and procedural terms, the real issues were of a most basic economic and political nature. These issues should be understood not only because of their intrinsic importance but also because they illustrate the interrelationship of trade, debt and development. For the sake of brevity let us focus on trade in services. The question is worth a diversion.

Trade in Services

Behind the clash over discussing trade in services were two basic concerns. One had to do with fear of a trade-off between goods and services i.e. fear that the developed countries would not open (indeed might further protect) their markets for Brazilian and Indian goods without demanding in return some service penetration into the Brazilian and Indian markets. The Punta compromise was: negotiations inside the GATT for goods, outside the GATT for services, but under one overall negotiating committee and within the same time frame. The formula reflects an unresolved conflict.

The notion of "no trade-off" is understandable in political terms in view of the new protectionism in goods markets and the marked deterioration in agriculture. It is more puzzling in economic terms. It implies a static concept of economic development which would be unique to this sector and, would therefore be unlikely. Even now, the potential in certain service industries of the East Asian NICs and of Brazil and India themselves is clear enough. Fear of trade-off also presupposes a watertight compartmentalisation of sectors -- resources, goods, services -- which doesn't exist today and will rapidly

vanish in the future as industry and sector boundaries blur. In all sectors services are key inputs to production and essential complements to trade. Commingling rather than compartmentalisation is the more appropriate image.

The second concern of the G-10 about trade in services is more important. It originates in a fundamental tenet about the respective roles of governments and markets in the development process. In the judgment of the G-10 spokesmen, certain key service industries -- telecommunications or financial services, for example -- represent the "commanding heights" of future growth and development and therefore must be guided by government. This G-10 view of the critical importance of government control gained force from the consideration that establishing a multilateral discipline on services would inevitably involve confronting the equally sensitive issues of investment and protection of intellectual property. (It will also involve consideration of the temporary movement of labour where political sensitivities are exposed on the side of many developed countries.)

This development aspect of the clash over trade in services should be assessed not simply in GATT terms,

but in the much broader context of the growth-with-adjustment debt strategy. Thus, for example, a prime structural impediment to the restoration of creditworthiness and growth in many of the heavily-indebted countries are shallow and inefficient capital markets. Among economists and in Fund/Bank circles there is widespread agreement that improved financial markets are essential for mobilising domestic savings, improving the efficiency of domestic investment, securing new equity capital and the repatriation of flight capital, facilitating debt-equity swaps and other financial options. Indeed the older model of development economists -- that effective financial intermediation was a consequence of development -- has been turned upside down, now stressing that it is a prerequisite of development. Yet no trace of this analytical framework surfaced during the prolonged debate on services among trade officials at the GATT. Nor, on the other hand, is there a coordinated strategy of financial market reform in developing countries, involving the GATT in cooperation with the Fund and Bank, in utilising opportunities offered by the Uruguay Round negotiations on services. But more of this later.

The example of financial markets is too narrow to illustrate fully the breadth of interrelationship inherent in the services issue. For the most part the growth of service trade to its present share of more than one-fifth of total world trade has reflected the expansion of trade in goods and the growth of international investment and financial markets as a whole.

But if we look to the future, services should be considered in the radically different context of the information revolution. The revolution began in the manufacturing sector in a cluster of technological advances (micro electronics, fibre optics, communications and computer technology). But the main trend of the transformation is rapidly turning to services, as the shift from "hard" to "soft" technologies accelerates. Moreover, the trend to increasing international integration which is inherent in the information revolution is likely, at least for a time, to enhance the role of the multinational enterprise as a carrier of leading-edge technology. Access to this new generic technology and the flows of capital by which it will in considerable part be transferred will become a prime determinant of growth and development around the world. For this reason an "infant industry" approach to strategic

service industries will prove increasingly costly and inappropriate. This point is especially important for developing countries since the new technology is labour-energy- and materials-saving. Developing countries, which in previous Rounds have not played a major role, have suffered to some extent as a consequence. Hence it is vital that they participate actively in the present negotiation. Otherwise they are likely to suffer again.

Finally, it must not be assumed that the contentiousness of the services issue is confined to developing countries. Services are subject everywhere to varying degrees of government regulation. They impinge directly on sensitive issues of national sovereignty and differences of opinion about the role of government. Such issues and differences will have to be taken into account in negotiating multilateral disciplines. In the end, more effective international cooperation is the only way in which constraints on national action imposed by interdependence can be compensated.

Now, after this rather lengthy detour on the rocky road to Punta I want to conclude with some thoughts on a few core issues of the Round, those relating to strengthening the GATT system.

Strengthening the GATT System

Despite - or perhaps because of - the unpropitious economic and political mise en scene for the Punta meeting, the agenda for the Uruguay Round is the most comprehensive and ambitious in the history of GATT. The negotiating groups which were established last January cover the full range of items necessary to improve market access. They deal with agriculture as a central concern for the first time in 40 years. They cover multilateral disciplines for trade-related intellectual property rights, trade-related investment measures and international trade in services. They will update and strengthen GATT trading rules and GATT itself as an institution. In addition, they provide for a mechanism to resist new protectionist measures and phase out existing ones over the course of the Round.

All these agenda items are important. A major round of liberalization would provide a welcome stimulus to world growth. An improvement in the trading rules governing temporary import protection or "unfair" trade practices would greatly enhance predictability and hence improve the investment climate. A successful negotiation in agriculture would reduce the grotesque distortions in

trade which exact such a heavy toll from consumers and producers around the world. This is essential for developing countries such as Argentina whose export earnings have been devastated by the subsidy war. And so on, down the list.

But I want to concentrate on the key systemic aspects of the Round. In the Punta Declaration these aspects are titled Functioning of the GATT System (and, inevitably, the negotiating group is called FOGS, an unattractive and, one hopes, inappropriate acronym). If the GATT system is not fundamentally strengthened there is a high probability that, over the long haul, it will continue to crumble and the gains in liberalization and growth from the Uruguay Round prove transitory. So these are the international public goods issues: there's no reciprocity involved. These public goods will either be provided by governments in active cooperation or not at all. In effect, this aspect of the Uruguay Round provides a real life experiment testing the hypothesis, now widely asserted, that international public goods will not be provided in a world without an undisputed leader.

The two vital components of GATT reform and renewal that I want to describe are first, strengthened

relationships with the Bretton Woods institutions and, secondly, surveillance of trade policies.

To begin with the
Relationship with the Fund and Bank,

The drafters of the GATT fully recognized the need for policy coordination between the Fund and the ITO which was to replace the General Agreement. When the third leg of the tripod of postwar multilateral institutions collapsed, the extensive provisions for coordination lapsed with it. There was only one exception: the exemption provided for use of quantitative restrictions to deal with balance-of-payments problems requires consultations with the IMF. This exception in fact exemplifies the need for reform. The balance-of-payments articles reflect a world of fixed exchange rates, and views of the external adjustment process long since abandoned by economists and by the Fund itself.

There is a major and timely opportunity in the Uruguay Round to spell out new provisions for effective coordination with the Bretton Woods institutions. In recent years, in response to the debt crisis, there has

been an evolution in the process of coordination between the Fund and the Bank and this process should be extended to the GATT.

Thus, for example, trade policy reform is a key component of the growth-with-adjustment approach to debt and some means of ensuring the continuing participation of the GATT should be developed. (More immediately, such reform could be encouraged by providing "credit" in the Round for measures adopted in conjunction with a Fund or Bank programme.)

But this is only half the story. Emphasizing structural adjustment policies in the developing countries requires a symmetrical approach in the developed countries. There is no regular surveillance of adjustment or micro policies in either developed or developing countries which complements the Fund's surveillance activities. If trade policy surveillance is implemented as a result of the Uruguay Round (a proposal I will discuss shortly) this, too, would call for more effective coordination among the three institutions which together constitute the present regime for managing interdependence.

Finally, strengthened coordination between the GATT and the financial institutions is not only desirable in itself. It should also help reinforce the process of consultation within countries between trade and finance ministers. The need for institutional change in the policy-making process both at home and internationally is perhaps nowhere so acute as in trade policy. This is an important consideration in the other key component of FOGS, trade policy surveillance.

Surveillance

The birth defects of GATT account for the attenuation of institutional relationships. It is these defects which largely explain the absence of regular analytical and evaluative reviews of a member country's trade policies: a micro policy counterpart, in effect, to the Fund's macro mandate. Inadequate secretariat resources and the absence of a designated policy forum at both official and Ministerial level are symptoms of the flawed and ambiguous "constitution".

Yet the old saying "where there's a will there's a way" is not without substance. As the new protectionism increased, violating the basic principles of the original

agreement i.e. non discrimination and use of the price mechanism or tariff, no country had a strong incentive to expose its trade-related domestic or border policies to regular scrutiny and discussion. This reluctance may have been increased by the legal nature of the GATT and the difficulty of ensuring that frank policy discussions did not result in invoking the legal obligations of the Contracting Party.

The components of an effective policy-based surveillance mechanism would have to include an enhanced analytic capacity in the Secretariat; a designated policy forum at both the official and Ministerial levels; a link with the rules-based surveillance of the dispute settlement procedure and, desirably, improved transparency of domestic trade policy-making procedures in member countries.

The issue of structural change and structural adjustment should be the theme of the reviews in their analytic and policy evaluative content. I need hardly remind you of the contentiousness of this approach in, for example, defining the policy scope to be surveyed.

The purpose of surveillance would be to exert peer group pressure, at the senior official and Ministerial levels, for policy adjustment and adaptation. It would do this by highlighting the impact of trade-related policies on the country's domestic performance, on other countries' trade opportunities, and on the system as a whole.

Peer group pressure may seem a weak reed to cope with the forces for structural change in the world trading system but, in effect, it is a counterpart of multilateral surveillance in the Fund or the OECD or the G7. There is no neat set of rules which may be found to guarantee "automaticity" in any of these places. And just as the breakdown of the post-war consensus macro paradigm of how the macro economy works has made macro policy coordination more difficult since the 1970's so, today, the new "strategic trade policy" is providing a theoretical rationale for sophisticated forms of protectionism. This weakening of the consensus micro paradigm will doubtlessly make trade policy discussion more ambivalent and inconclusive -- but also much more realistic than the stirring trade pledges of yesteryear.

A valuable complement to effective trade policy surveillance in the GATT would be reform of domestic policy making in member countries. Because losses from structural change are highly concentrated and benefits widely diffused, improving public understanding of the full economic effects of protectionist measures, i.e. greater openness, could mobilize counterpressure.

Thus, the report of the group of "wise men" commissioned by GATT Director General Arthur Dunkel recommends a "protection balance sheet" designed to inform the public of the costs and benefits of trade policy actions. A recent study group chaired by Olivier Long, under the auspices of the Trade Policy Research Centre, proposes that domestic institutional reform, to increase transparency and reduce fragmentation of decision-making along sectoral lines, be included in the Uruguay Round. This could be achieved, for example, by negotiating the broad objectives for these institutions whose focus would be the domestic economy-wide impact of all forms of industrial assistance.

The relationship would have to be spelled out between policy-based surveillance and the rules-based surveillance linked to the dispute settlement function of

the GATT. Improvement of the process for settling disputes in the GATT is in itself a high priority for the Round. It is essential to improve predictability for business decisions and also for reasons of fairness. Effective machinery to settle disputes is the best guarantee for middle-sized and smaller countries against unilateral or collusive action among the major trading powers.

The two forms of surveillance should reinforce each other. As I suggested, in order to encourage frank and broadly-based discussions, policy surveillance must be distanced from the legal mechanisms of the GATT. But distance does not mean isolation. Quite the contrary. Effective policy surveillance might be able to anticipate serious trade friction and perhaps help prevent it. For example, over many years the steadily growing number of disputes centred on agriculture clearly signalled the need for basic reform. Or, let me cite a more recent example: the Japanese-U.S. microchip dispute. I don't think it unreasonable to speculate whether that dispute should be taken as an early warning of more to come in the high technology sector. An analysis of the problem in economic terms would at a least highlight the pertinent policy questions relating to industries with steeply declining

cost curves, rapid obsolescence and major externalities. The discussion would likely not yield a simple answer about a particular rule, in this instance the anti-dumping one. But it might help to decide whether this specific dispute was unique in itself or potentially systemic, and thus required further action.

Indeed some experts on the multilateral system, such as Miriam Camps and William Diebold Jr., have suggested taking the policy-rules relationship one step further. Thus policy surveillance, as the agriculture and micro-chip examples imply, could evolve into a means of more frequent updating and extension of the rules via the designated Ministerial forum.⁽¹⁾

The framers of the original GATT could not possibly have foreseen the world of the late 20th century. Indeed, roughly once a decade, rounds of negotiation have served as a means not only of liberalizing markets but also of refining and strengthening the trading rules. This will also be an important item in the Uruguay Round. But in today's world

(1) The New Multilateralism, Council on Foreign Relations, New York, 1983. See also Richard Blackhurst, "Strengthening GATT Surveillance of Trade-Related Policies", Bielefeld Conference, June, 1987.

of rapid change and uncommon strains in the international economy the shape of the future is shrouded in uncertainty. This could well argue for building into the GATT system an option of more frequent review and adaption based on the surveillance mechanism at Ministerial level.

Conclusion

We have considered the implications of interdependence as they manifest themselves in the multilateral trading system, and have looked more closely at the way they affect the Uruguay Round.

The Uruguay Round offers both a challenge and an opportunity not just for trade ministries but for government policy as a whole. The outcome will affect growth, exchange rates and debt, the terrain of Finance Ministers and Central Banks. Reform of the GATT is important to the effective functioning of the Fund and the World Bank as, indeed, both institutions have strongly demonstrated in the Uruguay negotiations.

The challenge has come at a period of unique transformation in the world economy. The transformation is multi-faceted: the global imbalances; the information

revolution; the unsettled and unsettling state of the discipline of economics; the emergence of a multipolar world. To meet the challenge and seize the opportunity of this GATT Round will require changes in both domestic and multilateral decision-making. The alternative to making these changes will be the emergence of a world trading system which no government planned or desired. The manifold pressures for adjustment will not abate. The genie is out of the bottle and the genie is blind. Governments should have vision.

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STATEMENTS AND SPEECHES



Statement in the
House of Commons by the
Right Honourable Joe Clark,
Secretary of State for
External Affairs, following the
First Meeting of the
Commonwealth Committee of
Foreign Ministers on South Africa

Canada

OTTAWA, ONTARIO

February 5, 1988

When the Prime Minister and other Commonwealth Heads of Government met in Vancouver and Lake Okanagan in October, they agreed on measures to fight apartheid in South Africa, and established a committee of Foreign Ministers to give impetus to their decisions. I have the honour to chair that committee, and rise to report to the House on its first meeting, earlier this week, in Lusaka, Zambia. In beginning, I want to express formally Canada's great appreciation of the excellent arrangements made by the Government of Zambia.

The Committee comprises the Foreign Ministers of Australia, Canada, Guyana, India, Nigeria, Tanzania, Zambia and Zimbabwe. At Vancouver, the United Kingdom decided not to be a member of the Committee, although Britain is contributing to other parts of the Commonwealth program against apartheid. For example, Britain and Canada will be the major contributors to the restoration of the second phase of the Limpopo Rail Line in Mozambique. Britain, Tanzania, Zimbabwe and Malawi are involved in the equally important work of providing security for transportation corridors against terrorist disruption.

The best prospect for an end to apartheid is the negotiating concept developed by the Eminent Persons Group, established by the Prime Minister and other Commonwealth Leaders in Nassau. Our Committee will work consciously to encourage conditions where that negotiating concept might be given effect.

Mr. Speaker let me refer to the campaign to defend apartheid. It is systematic, organized, prosecuted as a priority by the Government of South Africa, and supported, for various motives, by businesses and organizations with substantial interests in that country. Among some within South Africa, the resistance to change is intensified by fear, including the fear that they will be torn up from their own roots, and that the strong economy they have created will be destroyed. That combination of power and fear is formidable, both in itself, and in the reaction it inspires.

Whatever other lessons might be learned from Africa, the record is consistent that, when majority rule could not be negotiated, it came by violence, fueled by the frustrations of majorities who would not forever be denied citizenship in their own country. That is the lesson of, among others, Kenya, Algeria, Zimbabwe, Mozambique. If the white 14 percent of the population which governs South Africa maintains its racist system, the black majority will respond, inevitably, not with silence but with violence.

We have to take account of both the power and the fear that fuel apartheid. When I met President Chissano of Mozambique in August, he tried to address the understandable fear of white South Africans. "The Afrikaaner", he said, "is as African as I am. We both belong here. There is no other place to which we can return." The African National Congress acted in the same spirit in the meeting in Dakar, Senegal, where white and black South Africans came together to talk about their future together. Zimbabwe itself, with three white Ministers in the Government, and thousands of white citizens involved fully in industry, agriculture, and the public service, is proof that white and black Africans can work together in freedom. The Commonwealth - because of our special reach, across races and around the world - can help ease fears, among both blacks and whites. And Canada, in these circumstances, with our history and our nature, can play a leading role.

But fear is only one element of apartheid; power is another - power defended zealously, exercised ruthlessly.

Sanctions are applied for two purposes - the first economic; the second psychological. There is no doubt that the actions actually taken by Canada and other countries have sent clear messages of disapproval to defenders of apartheid, and of encouragement to its opponents. Nor is there doubt that the economic measures have inspired a vigorous campaign to bust sanctions, or evade them, or frustrate their purpose. Naturally, the South African Government does that; but so may other Governments, so do many businesses. Those actions deserve to be known and, at Lusaka, we authorized terms of reference for two major studies which will bring to light new patterns of trade, new practices of accounting, new routings of shipments.

The terms of reference of the larger study have been published, and I have tabled them today. In the same spirit we are concerned by what appear to be significant breaches of the mandatory embargo on arms export, which members of the United Nations are obliged to respect. As individual nations, and as a committee, we will be seeking hard evidence and considering specific actions to ensure that the mandatory arms embargo is enforced.

The most effective new weapon enlisted in defence of apartheid is the deliberate new emphasis on censorship within South Africa, and propaganda at home and internationally. A simple summary of major press legislation in South Africa - which sets out what journalists may not write about - that summary alone runs to over 300 pages. On top of that is the weight of other threats and regulations which limit freedoms we Canadians take for granted - the freedom to meet, to publish, to speak without fear, the right to protection against detention without trial. No one knows how many people are detained, without charge, in South Africa; no one who is detained knows when he or she might be freed, or detained again. Even little children are locked away.

And, as the curtain comes down within South Africa, the campaign intensifies outside, to portray as reform proposed institutions in which no black leader will participate; to caricature all opponents of apartheid as communists or killers; to exploit prejudice. I have no doubt that campaign of censorship and propaganda is carefully organized and targetted, and the Commonwealth will become much more involved in exposing and countering propaganda and censorship.

That holds its own risk. When it comes to rights, no Commonwealth country is blameless, some less than others. During the meeting, and in other conversations, I warned that the accusation of a double standard would almost certainly be made against the Commonwealth, and that the best way to deal with it is by improvement in our own countries. But most in this House, and most in the world, would agree that inequity or abuse in other countries does not excuse an apartheid regime which writes racism into law.

There is one other dimension of this Committee which I want to convey to this House.

We are eight countries, from five continents. None of us is a superpower, and some, like Guyana, are states with profound economic problems of their own, while others, of the Front-Line States, are vulnerable every day to destabilization from South Africa.

That we came together gave evident hope to groups like the South African Council of Churches, whose representatives we met.

What we can do together will enlarge the information and initiative and will to fight apartheid in peaceful and practical ways.

That we are together is the best answer to the fear at the heart of apartheid - the fear that different races, different colours, can't work together. The Commonwealth is the antithesis of apartheid. We are different races, different colours, working together. I expect this Committee will help us continue our progress.

COMMONWEALTH COMMITTEE OF FOREIGN MINISTERS

ON SOUTHERN AFRICA

First Meeting: Lusaka, 1-2 February 1988

Members of the Committee

The Right Honourable Joe Clark (Canada) - Chairman;
The Honourable Bill Hayden (Australia);
The Honourable Rashleigh E. Jackson (Guyana);
The Honourable K. Natwar Singh (India);
The Honourable Major-General Ike Nwachukwu (Nigeria);
The Honourable Benjamin Mkapa (Tanzania);
The Honourable Luke J. Mwansashiku (Zambia); and
The Honourable Dr. Nathan Shamuyarira (Zimbabwe).

CONCLUDING STATEMENT

The Committee's first meeting was devoted to an initial consideration of the main areas of its mandate from Commonwealth Heads of Government under the Okanagan Statement and Programme of Action.

The Committee recognised at the outset that its task was of an ongoing nature and that some aspects of its work would be of a non-public character.

Its conclusions in Lusaka included the following:

(i) Sanctions

To widen, tighten and intensify economic and other sanctions against South Africa, the Committee has set in train an examination of the application of sanctions, involving their evaluation on a continuing basis, an assessment of their impact and an identification of efforts to frustrate them. It will take account of economic, political and other relevant considerations.

The Committee also agreed on the terms of reference of the expert study identified by Heads of Government in Vancouver on South Africa's relationship with the international financial system with a view to exploring the possibilities of effective action against South Africa in this area. Australia will continue to play a leading role in the preparation of this study. In this context, the Committee issued an urgent call on the international banks concerned not to participate in rescheduling exercises but to maintain maximum pressure on South Africa for early repayment of all due amounts.

The Committee took note of recent indications of significant changes in South Africa's terms of trade and trading patterns. It will undertake a thorough examination of these trade questions. It will also separately develop ways of promoting trade and investment in the Front-Line and neighbouring states as a means to increase their economic independence of South Africa.

While the programme of agreed studies is proceeding, the Committee will pursue all appropriate action for mobilising international support for sanctions with a view to securing a more concerted application of a global sanctions programme.

The Committee paid special attention to the existing mandatory arms embargo and recognised the need for specific action at both the national and international levels to secure their more effective enforcement of the embargo. The Committee will devote particular attention to this matter and pursue it as an issue of urgency.

(ii) South Africa and its neighbours

The Committee gave particular attention to the enlarging needs of the Front-Line States deriving from South Africa's policies of destabilization in the region. They paid particular attention to the effect of these policies on Mozambique and to current South African aggression in Angola. They welcomed the increased assistance to the region's development by the Africa Fund as agreed at the recent SADCC Ministerial Meeting in Arusha but recognised, as Heads of Government had done in Vancouver, that if the region's development is to be effective the international community must also address the security needs of the Front-Line States. They examined ways in which this might be achieved on an urgent and effective basis and set in hand a process of consultation with the governments concerned towards this end.

The Committee welcomed the progress that had been made for the establishment of the Commonwealth Special Fund for Technical Assistance to Mozambique.

(iii) Reaching into South Africa

The Committee held preliminary discussions with representatives of the South African Council of Churches, the African National Congress (ANC), the Pan Africanist Congress (PAC), the South West African People's Organisation (SWAPO) and the Anti-Apartheid Movement.

In the context of the intensification of repression in South Africa under the State of Emergency, the Committee recognized the importance of maximum exposure of the realities in the country and the need for effective responses to the draconian censorship that has been imposed. It began the exploration of ways in which the truth of what is happening in South Africa can be conveyed to the international community. Within the next few months, Canada will propose to the Committee a detailed strategy to combat South Africa's censorship and propaganda.

As part of the world-wide efforts to promote actions against apartheid, the Committee welcomed the decision to convene a Conference of World Parliamentarians later this year, as conveyed by the Chairman of the UN Special Committee Against Apartheid.

On 1 February the Committee conveyed to the South African Foreign Minister its deep concern at the recent confirmation of death sentences on the 'Sharpeville Six'. The Committee expressed the hope that even at this late hour the Government of South Africa would heed their humanitarian appeal.

(iv) Namibia

The Committee reaffirmed its strong support for Namibian independence as called for in Security Council Resolution 435. It rejected once again linkage between Namibia and the developments in Angola. The Committee agreed to increase its efforts to bring the plight of the Namibian people and South African aggression to the attention of the international community.

(v) Further Action

The Committee considered a possible programme of meetings up to the next Meetings of Heads of Government in Kuala Lumpur in 1989. It recognised however that its work may be pursued in a variety of ways including contacts with other governments and facilitating opportunities for focusing world attention on apartheid.

In between meetings, continuity in the work of the Committee will be maintained through liaison in London by a Committee of eight High Commissioners under the chairmanship of Canada's High Commissioner, Mr. Roy McMurtry, in close consultation with the Secretariat.

The Committee agreed that its next formal meeting will be held in Canada in July 1988.

COMMONWEALTH COMMITTEE OF FOREIGN MINISTERS

ON SOUTHERN AFRICA, LUSAKA, ZAMBIA

1-2 February 1988

EVALUATION OF THE APPLICATION AND IMPACT

OF SANCTIONS AGAINST SOUTH AFRICA

DRAFT TERMS OF REFERENCE FOR A STUDY ARISING

FROM THE OKANAGAN STATEMENT (paragraphs 7-11)

Introduction

With the exception of Britain, Commonwealth Heads of Governments at their Vancouver meeting agreed that economic and other sanctions have had a significant impact on South Africa and that their wider, tighter and more intensified application must remain a part of the international community's response to apartheid. In this context, they agreed to evaluate on a continuous basis the application of sanctions in order to assess their impact; and also committed themselves to continuing efforts to secure a more concerted application of a global sanctions programme.

In order to assist in the fulfilment of the above decisions of the Heads of Government, the study will review the scope of the existing sanctions by the Commonwealth and non-Commonwealth governments, voluntary bodies and private sector, examine their implementation and evaluate their impact not only in economic terms but also in terms of the moral of the Pretoria regime and the political processes in South Africa.

The study will also identify efforts to frustrate sanctions and the manner and the extent to which the impact of sanctions is weakened as a result. In examining what action can be taken to strengthen the impact of sanctions, it will consider the scope for further concerted efforts by the Commonwealth and the wider world.

Possible Outline of Study

The areas of enquiry for the study may be set out as follows:

a) Review of Current Sanctions

Scope and legal status of sanctions adopted by country or group of countries, by major category of sanctions; the status of various United Nations measures (mandatory or

non-mandatory) and their implementation; measures by voluntary groups and the private sector; dates of adoption and implementation; monitoring mechanisms and provisions of penalties against offenders.

b) Efforts to Frustrate Sanctions

Efforts by South Africa to frustrate sanctions by category of measures; the role of governments, organizations and groups outside South Africa in frustrating sanctions; South Africa's policies towards its neighbours in frustrating sanctions.

c) Strengthening Existing Measures

Scope for making existing measures more effective through a wider, tighter and more intensified application:

(i) Economic Impact of Sanctions

Impact on credit and investment flows to South Africa; on the cost and supply of oil; on exports and imports in terms of volume and unit values. Economy wide impact in terms of capital formation; access to technology; employment and growth of GDP; and on the confidence of the business community.

(ii) Impact on Military Capability

Impact on access to security/military related technology and on the availability of armaments; on the military capability of South Africa.

(iii) Political Impact

Impact on the Pretoria regime and its willingness to negotiate, on the political perceptions of the business community and on the white electorate in general. Impact in terms of South Africa's isolation in the international community and its ability to conduct external relations.

d) Areas of Vulnerability

Areas, economic or otherwise, in which South Africa is particularly vulnerable to sanctions. Measures that will have a significant impact when applied (a) concertedly or (b) bilaterally. A prioritization of possible measures.

Possible Further Action

Possible further action given South Africa's vulnerability in particular areas.

Time-Frame and Modalities

An initial study concluded within a period of, say, not more than six months could be followed up by updating and extending the enquiry to further areas, as the situation evolves, at periodic intervals. The Secretary-General in consultation with the Chairman will arrange for the study to be undertaken in a manner that would inter alia permit the issue of interim reports or segments of the study to members of the Committee from time to time.

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STATEMENTS AND SPEECHES

Notes for a speech by the
Honourable Flora MacDonald,
Minister of Communications,
for the
Right Honourable Joe Clark,
Secretary of State for
External Affairs, to the
Council for Foreign Relations

CHICAGO, ILLINOIS

April 13, 1988

Canada

I intend to speak today about two particular countries -- yours and mine; two particular issues -- trade and pollution; and the lessons for the world in the way our two countries address those two issues.

I will spare you the usual rhetoric about Canada and the United States:

- the longest undefended border;
- the common commitment to defending freedom in war and extending it in peace;
- the trading relation that is the largest in the world -- you trade more with Canada than you do with Japan; more with us than with Europe; so do we with you.

Those are inescapable realities of our neighbourhood together in northern North America, both of us enjoying freedoms and opportunities most nations only dream of.

To some degree, our good fortune is good luck.

We are relatively young societies on rich land; free societies that grow from the ingenuity and independence of our citizens; located in a new continent, far from the conflicts and constraints of an older world, free to build our own future.

But the successes of Canada, the successes of the United States, are more than luck.

Our history is a record of reaching out -- you to build a new nation and start new traditions, we to unite communities across a continent and extend the best of old traditions.

We have grown in different ways, become quite different countries, but our method has been to reach out to opportunity, to face up to challenge.

Consider some examples.

We did not start the world wars which began 64 and 49 years ago. But we did not avoid them either. And our interventions, when they came, helped end those conflicts and restore freedoms and peace.

The decisions whether to participate and how to participate were not easily taken. In both our countries there were complex and sometimes divisive issues at stake.

But, given the choice of hiding out and hunkering down, we reached out, decisively.

And when the war was over, our two countries led the effort to establish international agencies that might avoid the causes of war -- the League of Nations, the United Nations, the invaluable agencies they spawned.

It was no accident that the UN Charter was signed in the United States, and its headquarters located here; no accident that the idea of using soldiers to keep peace, under the UN flag, came from Canada.

And in trade, when the world economy was at its most desperate, in the 1930s, when voices everywhere were preaching protection and retreat, two countries stood against that darkening tide, and negotiated and signed an historic Most-Favoured Nation Trade Agreement.

That Agreement, signed between President Roosevelt and Prime Minister King in 1935, started the movement toward international economic cooperation that led to the General Agreement on Tariffs and Trade, the GATT.

And one could argue, therefore, that it was the foundation of the largest expansion of world trade in history.

On the environment, 76 years ago, before the issue became a trend, Canada and the United States established the International Joint Commission.

Later, in 1972, we negotiated the Great Lake Water Quality Agreement and then refined it twice again in 1978 and 1987.

We have each used the International Joint Commission to resolve environmental problems. The Great Lakes Water Quality Agreement has been instrumental in reducing the levels of toxics in those waters, setting them on the course towards ecological regeneration.

This recitation of history has, of course, a point.

That point is that the friendship and cooperation of Canada and the United States have, at our best, reached beyond our fortunate continent, to build standards and institutions for the world. In a very real sense, multilateralism is a North-American invention.

That is a tradition to remember and renew today. Particularly at the time when the world beyond our continent seems ever more troubled, and the illusions grow that we can hide out behind our power and good fortune, or that we can resolve threats by ignoring them.

For the sake of argument, that might have been possible in 1776, or even 1867. It isn't now.

The Canadian philosopher Marshall McLuhan called our world "A Global Village", and it is, not just in the news we receive, but in the direct way we are affected by events that once were foreign.

To take the most extreme modern case, terrorism respects no boundary.

We in Canada have mourned a young Alberta woman, and her infant child, whose only crime was to choose the wrong plane in the Middle East.

We have been to Dunmanus Bay in Ireland with the grieving families of the 329 victims of the explosion of Air India Flight 182.

And we have seen Embassy guards and officials shot in the quiet streets of Ottawa.

Terrorists, of course, move deliberately outside the law, as drug dealers do. But other events remind us how fragile the rule of law itself can be, and how contagious is violence.

In Iran and Iraq, in the Middle East, in southern Africa, rage is building. Extremism is taking root. And it affects all of us.

And if that is true of political developments, so is it of economics.

Brokers in Chicago go to bed looking at the Hong Kong and Tokyo Exchanges and wake up evaluating the results of the London Market. Bankers in Chicago have an acute interest in political developments in Brazil.

Your farmers have been as sensitive and indignant about the Common Agricultural Program of the European Community, as Canadian farmers are to your own Export Enhancement Program.

There are no seats left on the sidelines. Powerful or weak, rational or extreme, politician or businessperson, we are all in this together, in a world that needs leadership.

And our two countries, with our wealth and our influence, have special responsibilities.

Let me now come back to the two specific issues -- trade and pollution -- issues important to our two countries now, but with much wider implications.

Earlier this year, in January, Prime Minister Mulroney and President Reagan signed the Canada-U.S. Free Trade Agreement, the product of almost two years of tough and intensive negotiations.

The Agreement is the largest commercial accord in history, bringing with it major benefits for each of us in the bilateral merchandise and services transactions we have.

Like almost any agreement, it is not perfect. Neither of us obtained everything we wanted. But the Agreement is a substantial step forward, with ramifications extending well beyond our bilateral commercial dealings.

Clayton Yeutter, the U.S. Trade Representative described the Agreement as being "as significant in the economic sphere as the Arms Control Agreement signed last December in the national security arena".

And so it is when you consider its provisions.

Beginning in January of next year the Agreement will eliminate or phase out all tariffs over the course of a decade.

It puts in place new rules for trade in services, for financial services activity, and for investment flow in either direction. Capping it all will be a unique mechanism under which we will be able to adjudicate our trade disputes.

When we began negotiations two years ago I do not think either of us really understood the magnitude or the difficulty of the task ahead of us.

For all that we have so much in common, we are still sovereign nations. And we do see certain issues differently.

Cultural sovereignty, for instance. To Canada, culture is not an area to be traded as one would shoes or autoparts. It is part and parcel of our distinct character as a nation and for that reason we had to insist upon certain protections.

Eventually, Trade Representative Yeutter understood and accepted our position and with certain exemptions in place, negotiations on other issues could progress.

Similarly, we understood that the U.S. could not fully meet the Canadian position on an issue of sovereignty of your own. And so, over the next several years we will continue to negotiate a fuller and more comprehensive dispute settlement mechanism.

And so, eventually, we reached an agreement.

And now our government will bring legislation implementing the Agreement to and through our Parliament expeditiously, as a matter of priority. And we expect that your Administration and Congress will want to proceed with equal speed.

It may not be easy in the face of special interests who prefer the comfort of their protected privilege to the challenge of competition. But it must be done and we both expect and believe it will be.

If Canada and the United States, friends, allies and neighbours, enjoying the largest exchange of goods and services in the world, cannot agree on the rules of trade, then who can?

There is far more at stake here than simply bolstering our own economic advantage and liberalizing the trade between us. The Free Trade Agreement is of enormous significance to each of us but it also has to be seen in its broader context.

In September of 1986, in Punta del Este, Uruguay, the 96 signatories to the General Agreement on Tariffs and Trade came together to launch a new round of multilateral trade negotiations, the eighth such round since the GATT was first established.

This new round of negotiations is critically important to all of us in the international trading community. Because global independence is not a platitude.

It is a reality that is brought into sharp focus every day, more dramatically on occasions such as last October's stock market crash or in the more mundane daily transfers of more than a trillion dollars in the world's money markets.

The GATT has served us well, overseeing the greatest expansion of wealth the world has ever witnessed. Now it needs to be strengthened, not abandoned or ignored as irrelevant or inconvenient.

Strengthening the rules of world trade is what this latest round of multilateral trade negotiations is all about. Governments around the world, including yours and mine, must make these negotiations succeed.

We must produce both a better and more systematic set of international trade rules. We must silence the skeptics, and assure both investors and traders everywhere that governments are committed to trade expansion. And not protectionism.

Our own Free Trade Agreement has shown the directions in which we must take the GATT as we approach the turn of the century:

- reduced tariffs;
- better dispute resolution processes;
- new rules for services;
- new rules for intellectual property and investment; and
- in addition and as a priority, better rules to attack the gross over-subsidization of agricultural products.

There will be a mid-term review of progress in this negotiating round, in Montreal in December. That conference will help us all to sharpen our focus and make practical early progress in moving the rules of the GATT ahead.

With luck history will repeat itself.

Just as the 1935 agreement between Canada and the United States led the way to the creation of the GATT so may our Free Trade Agreement set us on the path to a stronger and more effective system of world trading rules.

Another kind of exchange across the border -- the movement of acid rain -- is equally urgent for us to address and resolve.

Just over two weeks ago, in New York, Prime Minister Mulroney said:

"The obligations of neighbourhood also include the stewardship of our natural environment. The boundary between us is political but the environment pays it no notice. On no issue is this clearer than acid rain."

I fully realize that this is a contentious issue in a state like Illinois which produces coal, whose industrial well-being depends upon the advantages of low cost energy, whose citizens, if they are like ours, already find their utility bills too high.

But if the issue were not contentious, it would have been resolved long ago. But clearly it has not been, and it must be addressed.

This is not a question of blame or guilt. We are both polluters and both to blame for the damage our economic goals have inflicted on our environment.

The real question is what are we going to do about it? How are we going to face up to this aerial assault which causes such real and evident damage?

Somewhere around 50 per cent of the acid rain which falls within the confines of Canada's borders comes from your country. The remainder is our own.

In Canada, both the provincial and federal governments are acting to dramatically lower our acid-rain emissions by the year 1994. This will not only benefit Canada, it will also aid in reducing the emissions generated in Canada which are affecting the states of New England.

But what about the other half of our problem, the half that Canada cannot deal with ourselves? The answer, in our view, is the establishment in this country, the United States, of targeted mandated reductions of emissions which cause acid rain.

This is not now a question of evidence or research. The facts are known: scientific studies in Canada, your own country and many Western European countries all constitute an inescapable testimonial to both the causes and effects of acid rain.

The consequences of not acting, for you and for us, would be tragic.

The damage already inflicted on our habitat has been enormous: 14,000 Canadian lakes are dead, and another 150,000 are being acidified while an equal number are vulnerable.

Salmon-bearing rivers in Nova Scotia and maple trees in Quebec are damaged beyond repair or in jeopardy and more than 80 per cent of the best agricultural land in Eastern Canada is receiving unacceptably high levels of acid rain.

In the United States the effects of acid rain are particularly evident in New England, which suffers from one of the highest levels of acidic deposition in all of North America.

A study released earlier this week by the State of New York indicates that 26 per cent of Adirondack lakes are considered dangerously acidic and that 25 per cent of the Adirondack lakes had no fish in them.

But its effects are found elsewhere as well.

Some recent research indicates that portions of more than 4,850 streams extending over 8,350 miles in parts of the Southeast and Middle Atlantic states have been acidified and another 25,643 streams are sensitive to acidification.

In the past, when you and we had problems, we grasped the challenge and responded with the International Joint Commission: And with the Great Lakes Water Quality Agreement.

Little more than one year ago President Reagan, speaking in our Parliament, said:

"The Prime Minister and I agreed to consider the Prime Minister's proposal for a bilateral accord on acid rain, building on the tradition of agreements to control pollution of our shared international waters."

We took the President up on his offer and prepared such an accord, one which we think will effectively come to grips with the problem. We think it deserves a serious and credible response.

More than that, it demands it.

As we know from our rivers, you cannot clean up just one stretch while you ignore pollution in another.

Reductions in Illinois will not work if there are no reductions in Ontario. Reductions in Ontario will not be the answer if there are none in Ohio. And so on.

The magnitude of the problem, the absolute urgency with which it must be addressed, the resources we must commit to a solution... all demand the best efforts and the full efforts of our two nations.

We have the knowledge and we do have the resources. What we must also have is the vision and the political will to act; for ourselves, yes, but even more so for those who come after us. The great thing about it is that we can do it.

Our shared history has seen us time after time take bold steps together and in the world at large.

With imagination and will our two countries have demonstrated the best virtues of neighbourliness and by so doing have set an example for the rest of the world.

In the darkness of the depression we moved against fear and blazed the trail for global trade promotion through the GATT.

We have acted in defence of the ecosystem, be it to clean the waters that lap the shores of this city or to protect the fragile ozone layer that envelopes our planet.

We have accomplished much, together, and the challenge now, as friends, or neighbours, as leaders in a troubled world, and as the closest of neighbours in this global village is to continue to act in that North American international tradition.

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Right Honourable Joe Clark,
Secretary of State for
External Affairs



EDMONTON, ALBERTA

April 15, 1988

Canada

I am pleased to be with you today. As you may know, we have moved a number of the functions of the Department of External Affairs to Edmonton for this week. This both allows me to operate out of our own province of Alberta and provides direct contact between western Canadians and some officials of the Department of External Affairs. And all that happens here in the Pacific half of Canada. External Affairs, as many of you probably know, already has a presence in this city through the offices of Regional Industrial Expansion, headed here by Frank Jackman, one of our Trade Commissioners, ably assisted by Jack Kepper, another Trade Commissioner, who heads the Trade Division of this office.

I want to spend a few minutes today addressing some of Canada's trade and economic interests in Asia and the Pacific.

The Asia Pacific region has become a major centre for global economic development.

Approximately 60% of the world's population resides in the region, and this proportion will approach 70% by the turn of the century. By that time, half of the global output of goods and services will originate in the Asia Pacific region.

In the region there is one economic super-power: Japan. But following behind Japan are the Newly Industrializing Countries (NIC). Korea, Taiwan, Hong Kong and Singapore are readily identified as "NICs" but there are other nations not far behind. Malaysia and Thailand will join the Asian Tiger Club before long. India and China, although lagging in per capita terms are huge and powerful economies, with significant domestic industrial capacity and tremendous potential. China will be a trillion dollar economy before the turn of the century. Indonesia and the Philippines could also be major players if they can overcome domestic obstacles, population growth and political instability. For example, the large populations of India and China are served by significant domestic industrial capacity.

Since 1984, the Asia Pacific region has emerged as the second largest regional destination for Canadian exports, edging out Europe for this position. About 11% of Canadian exports move to markets in Asia Pacific. Japan absorbs over half of this sum, and is Canada's second largest trading partner, exceeded only by the United States. China and Korea have become billion dollar markets for Canadian exporters. Countries of ASEAN -- The Association of South East Asian Nations -- are a steadily growing market. Australia and New Zealand continue to be among the best markets for Canadian manufactured goods.

As many of you in this room know, Canada's connections with Asia Pacific go a long way back and are extensive and growing. For instance, Canadian missionaries and merchants provided Canada's earliest contacts with China in the late 18th century. Permanent residents from China first came to Canada about 130 years ago! Today, some 600,000 Canadians of Chinese descent live in Canada, many of whom have family ties in Hong Kong. Perhaps more surprisingly, more than 10,000 Canadians live in Hong Kong. Edmonton has its Chinese twin in Harbin and Alberta is twinned with Heilongjiang.

I and my cabinet colleagues believe that it is important to build on these ties to develop closer links, particularly in the area of trade and economic relations. Pat Carney (when she was Minister for International Trade) announced a Hong Kong Action Plan. This plan will increase Canadian awareness of the size, dynamism and western-style business environment present in Hong Kong. It will also encourage Canadian exporters to take advantage of the active Hong Kong re-export market as a gateway to China and other Asian markets. This is a national effort but it is one where we count upon the people and governments at provincial and municipal levels to take a full part in working with us to make this happen.

The People's Republic of China is rapidly changing. The 7th National People's Congress is currently underway, and one hears much talk of plans for the separation of party and state, accelerated foreign investment in coastal regions, and revived interest in radical joint-stock ownership schemes.

Canada's trade with China is prospering. Beginning on a foundation of wheat sales in the 1960s (prior to the establishment of diplomatic relations in 1970), trade has grown substantially over the past two decades. In 1987, two-way trade increased by 32% over the previous year to \$2.2 billion, with Canadian exports amounting to \$1.4 billion and our imports from China reaching \$771 million.

Canada's export strengths closely match China's priorities -- energy, transportation, communications and agriculture. China's main import sectors which have available foreign exchange -- raw material imports, industrial infrastructure projects in areas such as oil, gas, thermal and hydro power, pulp and paper, steel, communications and basic agricultural commodities -- all have had significant Canadian involvement in various forms.

In April 1987, the Government adopted a strategy intended to ensure a focussed, coordinated and dynamic approach to Canada's relations with the People's Republic of China and designed to take advantage of the opportunities and challenges flowing from China's "open door" and modernization policies.

The strategy includes the establishment of annual high level political consultations, targetting China as a priority market in the National Trade Strategy, opening of a Consulate General in Shanghai and the initiatives announced by the Prime Minister when he visited Beijing in May 1986: the doubling of the Canadian International Development Agency's bilateral development program and the establishment of an Export Development Corporation concessional financing facility.

Many other countries also recognize the benefits of developing trade with China. As a result, the competition to win major projects in China is keen, and this extends to the financing terms offered. It was specifically to provide companies pursuing projects in that market with competing financing that the Prime Minister announced the Canadian \$350 million concessional financing facility during his May 1986 visit to China. Where applicable, this concessional financing is mixed with the regular financing provided by EDC to form an overall "soft" financing package that is competitive with other countries.

This approach has proven to be very successful. Eight projects involving concessional funds have already been financed by EDC, and four other contracts recently signed by Canadian suppliers with Chinese customers will utilize concessional funds. An additional 10 projects involving major Canadian exporters, which could use a substantial portion of the line of credit, are at an advanced state of negotiation and will likely be signed in the next six months. Given that the line of credit is mixed with regular EDC financing, more than \$1 billion of Canadian exports to China will be supported by the concessional line of credit.

Another area in the region attracted much attention recently. Taiwan's spectacular economic success has aroused the interest of business people from all around the world, including many in Canada. In fact, it is a fellow Albertan, Jack Morrish, the President of Fording Coal of Calgary, who is the Canadian Chairman of the Canada-Taiwan Business Association.

The island's outstanding economic performance last year resulted in a record trade surplus of U.S. \$19 billion, and its foreign exchange reserves now stand at U.S. 76 billion, second in the world only to Japan.

Taiwan is now Canada's fifth largest source of imports and twelfth largest export market. Total trade was close to Cdn. \$2.8 billion, with a surplus of almost \$1.3 billion in Taiwan's favour.

Canada's recognition of the PRC in 1970 precludes our having official relations with the Taiwan authorities; however, as the trade figures dramatically illustrate, we are happy to see private and commercial contacts. In fact, this Government applauded the decision of the Canadian Chamber of Commerce to open a trade office in Taipei in October, 1986.

This Government has made a strong commitment to the Asia Pacific region. This has been reflected in a number of ways. Comprehensive country strategies have been adopted for managing the full range of our relations with Japan, China and India; trade and investment action plans have been developed for Korea, Hong Kong and ASEAN.

In recognition of the importance of this region for the development of Canadian trade, Asia Pacific was chosen as one of two priority markets for special trade development efforts by the Department.

As a western Canadian, I am particularly interested to see economic activity gradually shift towards the Pacific. An important part of our destiny is linked to the Pacific. It is up to all of us to ensure that we take advantage of the opportunities offered in that process.

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Notes for a speech by the
Right Honourable Joe Clark,
Secretary of State for
External Affairs, to the
Edmonton Chamber of Commerce

Canada

EDMONTON, ALBERTA

April 20, 1988

It's a great pleasure to be at home with you today. I have been here, in Alberta for the week. I decided to bring my Department along and run Canada's foreign policy from home-base. We are providing the full services of External Affairs from Edmonton. I have with me trade experts, foreign policy experts and senior officials whom I thought should be exposed to the openness and optimism of life in the West.

I bring you greetings from John Crosbie, Canada's new Minister for International Trade. He has already met with Clayton Yeutter in Washington, and has just hosted the quadrilateral meeting of trade ministers of Japan, The European Community and the United States in Vancouver last weekend. He is delighted to have inherited the trade portfolio and he is looking forward to visiting Alberta in his new capacity. I told him the West was crucial for Canada's economy and he has now agreed to put it on a par with Newfoundland.

I want to speak to you about international trade and the international economy. This is a time of changes, of choices, and of decisions, both globally and nationally. This is a time that requires the whole nation to reflect the confidence and enterprise which are characteristic of the West.

We are in a new economic age. The post-war years have seen enormous expansion in the world economy, based on the liberalization of trade under the General Agreement of Tariffs and Trade (GATT). This expansion has been interrupted by downturns like the 1981-82 recession, and by the great oil shocks. But the overall trend towards growth and expansion is clear and graphic.

The growth has been especially clear right here at home in Canada. Since we were elected, just over three and a half years ago the economic achievements have been tremendous:

-- more than 1.2 million jobs have been created;

-- the unemployment rate has fallen from 11.7% to 7.8% as of February;

-- in the last three years we have created jobs at a faster rate than has any other country in the OECD;

- the Bank of Canada rate has fallen by more than 3.5 percentage points; bank and mortgage rates have fallen similarly;

-- the deficit has been cut by one quarter in dollar terms and by almost one half in relation to economic output;

-- and in the last three years, our economy grew at a faster rate than any other major OECD economy;

These are but some of the numbers that reflect the prosperity we have achieved. Other indicators - whether real income investment or others -- have all improved as well.

All this success was based on giving greater play to private economic forces. Contrast the experience of countries that chose to compete and those that chose to cut themselves off from the world trading system. Compare, for instance, the level of economic development and prosperity of closed economies around the world -- Albania in Europe or Burma and North Korea in Asia -- against that of their more open neighbours, whether Switzerland or Thailand or South Korea. Even the great state-trading countries, the U.S.S.R. and China, are drawing closer to the international trade and payments system, and adapting their trading practices to it.

Why? Because they have discovered that even very large economies lose out in growth when they are cut off from global markets, the stimulus of foreign competition, the flux of new ideas and technologies, and the enterprise that accompanies modern investment. Here in Canada we have known for years that innovation and specialization, inspired by international competition, is one key to the success of enterprises big and small.

Forty years of expansion have drawn the world economy together into an interdependent web of trade and financial flows. The last two decades have witnessed an enormous growth in global capital markets, and in flows of technology, know-how and services. As a result, enterprises can now combine resources from a dozen or more countries in delivering complex products and services to your door, financed by savings from around the world.

The Chairman of the U.S. Presidential Task Force on Market Mechanisms said in his report following the October 11 stock market crash: "The communications networks of four key data providers alone cover over 100,000 equities, connect over 110 exchanges and include 300,000 terminals in over 110 countries". Just think about that.

All of us as customers have come to rely on foreign goods for the good life we lead, from Japanese VCRs to microchips to tropical fruit in mid-winter. The advantages of global interdependence are so obvious that we are inclined to take them for granted.

But the stresses and strains of interdependence have also grown with the passage of time. These problems preoccupy governments in every country, and Canada more than most.

These stresses appear, for instance, in the trade and payment imbalances among the world's major trading economies. These imbalances have led to the large exchange rate movements of recent years, have limited our growth and contributed to the debt crisis of the developing countries. These imbalances also stoke the fires of protectionism, not just "trade wars" but dozens of small national restrictive actions that erode accepted trade disciplines, and distort the terms of trade. Most of all they undermine the trust and transparency needed to ensure equity and efficiency in the world economy.

Successive GATT rounds have resulted in deep cuts of tariffs among the main trading countries, but a large variety of other barriers, some more apparent than others, remain in place. Equally dangerous are the new and innovative barriers to international trade that are emerging, threatening the gains we have made through these international trade negotiations. Slower and unevenly distributed growth in exports in this decade has also helped stimulate protectionism, especially in those countries with persistent trade deficits.

Moving forward in these adverse conditions is a major challenge to leadership in the Western world. It demands a cold-eyed examination of the fundamentals of our system, and imagination and perseverance in devising solutions.

What are the real factors that can increase world trade?

First national economies have to be strong enough to change industries or practices that are out-of-date, to teach modern skills, and to encourage new industries that can compete in the modern world. That is what the economists call "structural change", and new international competition makes structural change inescapable.

A second factor has been recognized since Adam Smith -- access to a larger market permits specialization and economies of scale. Going into the mid-1980s, Canada is the only major industrialized country that lacks assured access to a market of over 100 million people. The chances of developing global marketing skills from a small protected domestic market are not very promising, and neither are the prospects for controlling costs and improving quality.

A third important ingredient is modern management; this demands the integration of people, capital, knowledge, resources and markets on a global basis.

Canada's case is special. We are next door to a powerful economy. We have abundant resources, immense size, a scattered population and striking regional differences in production and consumption.

We are unique, but we are not exempt from the new economic pressures of the modern world. We have to compete, and the economic priority of the Government has been to make Canada competitive.

We are expanding trade bilaterally with the United States, and multilaterally by leadership in the latest Round of Multilateral Trade Negotiations (MTN), launched just over 18 months ago in Uruguay and designed to improve and strengthen the international rules of trade.

At the same time, the Government has held the line against protectionism in Canada. We have cut back inflation and cut the deficit. We have reformed taxes and financial institutions, reduced the regulatory burden on the private sector, and turned from screening foreign investment to encouraging it. We have started to overhaul policies affecting research and development and established new agencies for regional development. Those are actions at home to make Canada competitive.

Internationally, we pursue the same goals.

Prime Minister Mulroney is an active leader in the Economic Summit which he will chair in Toronto in June. We have achieved Canada's membership in the Group of Seven (G-7) Finance Ministers. The Prime Minister has put agricultural reform at the center of international economic discussions and we are one of the most active members of the Cairns Group of Fair Traders in Agriculture.

And we are trying to play a constructive role in resolving the debt problems of major debtors, notably in Latin America, and of the least developed countries.

The Economic Summit is the leading international forum where the leaders of major countries can work together. The summit's primary benefit is when it can co-ordinate the domestic economic policies of the major western economies. The Summit can also inspire action in other international bodies and broaden public awareness of major economic issues.

We all know that the world economy affects Alberta through energy markets, through agricultural markets and through opportunities for industrial diversification. In all these respects the signing of the Free Trade Agreement on January 2nd by President Reagan and Prime Minister Mulroney marked a big step forward. More secure access to the U.S. market will generate more jobs and revenues in the energy sector, draw in more investment, (including investment in pipeline and other megaprojects, if and when these are needed), and reduce the costs and risks borne by Canadian energy consumers. There are important new export possibilities for canola oil, soybean oil, and high quality wheat and oats. Alberta, which is very attractive as a human and corporate environment for many enterprises in the Western U.S., stands to gain a good deal from the Free Trade Agreement.

But in addition to those domestic advantages, the creation of a free trade area between Canada and the U.S.A. comes at a very critical time for world trade.

Had it not been possible for two countries with so much in common to reach a comprehensive agreement, then the prospects for the wider multi-national negotiations would have been very poor indeed. There are already enough road blocks in the way of the Uruguay Round. Many countries have policies that shelter particular sectors from foreign competition, impose unnecessary restrictions on trade partners, or apply trade measures selectively. Some countries in a very strong trade position have not yet assumed the level of trade obligations that their strength merits.

A priority for Canada in the multilateral negotiations will be to get more access to our main non-U.S. markets. The emphasis, naturally, will be on Japan and Europe both as partners in reforming the GATT and as markets where we seek a lowering of tariffs and non-tariff barriers on products that count.

The countries involved in the Uruguay Round Negotiations will be gathering in Montreal early in December for a Mid-Term Review Conference to take stock of progress in the negotiations and to plot the way ahead. There are special areas where we hope for progress: in strengthening the functioning of the GATT; in Agriculture; in so-called 'safeguards'; and in the new trade policy areas of services, investment and intellectual property. Let me discuss them in order.

Canadians have become much more aware of the GATT dispute settlement procedures in recent months, following the reports of GATT panels on the practices of provincial liquor boards in Canada, on West Coast salmon and herring, and on beef. They demonstrate that trade questions have direct domestic implications. When we are called upon, as we have been, to adjust sensitive domestic policies, we want to be sure that the rules are being applied in the same way to our major trading partners. That means having better rules and, sometimes, more sensible rules.

But it also means having an international organization -- The GATT -- that is strong enough to apply those rules reliably, consistently and sensibly.

I don't need to remind Albertans about the importance of agriculture. Our farmers are victims of a subsidy war between the European Community and the United States. We can't afford to subsidize at those levels. And the world can't afford to have agricultural production so distorted by subsidy. No one country can stop it alone, so we must together. And the leadership must come from the wealthy countries that subsidize the most.

There is an urgent need to devise practical rules for agricultural trade that can secure early and wide agreement -- agreement at the Montreal mid-term meeting. It is intolerable that efficient agricultural producers in Western Canada are being made the victims of subsidy policies that serve mainly to destabilize international commodity markets. The other reason this is urgent is that trading practices in agriculture set a bad example in other areas of trade.

The MTN is addressing for the first time, the impediments to trade in services, and issues involved in the trade-related aspects of intellectual property and investment. These are areas where an absence of international rules has increasingly hampered trade and investment.

As economies grow more diversified, it becomes harder to separate trade in goods from trade in services - how are we to describe, for instance, the knowledge embodied in your computer's floppy disk? It is a key question for us now when services account for almost 60 percent of Canada's Gross Domestic Product.

For large companies, services are in many ways interchangeable with goods. Countries interested in creating jobs, developing skills, and exploiting integrated approaches need rules for both goods and services. So does the international community.

Our purpose in all trade negotiations is to improve foreign market access for Canadian businesses.

The question then becomes the following: will Canadians, and Albertans, be able to take advantage of new trade opportunities?

As to the US Agreement there is a remarkable unity of view - virtually all serious economic studies conclude that the Free Trade Agreement will generate significant overall benefits for Canada, spread across the country's regions. The Economic Council of Canada has just concluded that Alberta would enjoy a two percent gain in employment as a result of the impact of the Agreement.

There can be similar advantages if we succeed in the multilateral negotiations.

But trade agreements only provide the contact and the opportunity. Businesses make sales, not governments, and the real challenge is to Canadian expertise and Canadian entrepreneurs to take advantage of the widening world of trade. We are doing what we can to create a climate at home and an opportunity ahead to let Canadian business show its leadership. A lot of you are doing that already -- certainly in this province. That will become even more necessary in the new trading world we are entering.

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Speech by the
Right Honourable Joe Clark,
Secretary of State for
External Affairs, to the
United Nations Special Session
on Disarmament

Canada

NEW YORK, NEW YORK

June 13, 1988

Mr. President

Six years ago, at the outset of the Second Special Session on Disarmament, the President of that Assembly could correctly observe that nothing had been achieved in the field of disarmament and arms control since the First Special Session.

This year, we meet in circumstances which are vastly different. The past six years have recorded progress and achievements that will have major implications for arms control and disarmament. The measure of success of this Special Session will be the extent to which our deliberations sustain further the spirit so essential to continued progress and achievement in international disarmament. We must therefore reaffirm our dedication to the success of arms control and disarmament, and pledge ourselves to advance ideas which will keep hope and progress alive.

Our efforts here can only be aided by the outcome of the recent meeting between President Reagan and General Secretary Gorbachev.

That Summit clearly demonstrated the degree of progress which has been made in East-West relations. It was the fourth such meeting between the two leaders in just over two-and-a-half years, an unprecedented pace for discussion and negotiation.

I was struck by how many observers of the Summit referred to the new agreements signed in Moscow on verification and testing as "minor" arms control measures. When we gathered in previous Special Sessions, the very notion of "minor" arms control agreements would indeed have sounded strange. We have come to have high expectations of this process.

It is in the vital Soviet-American relationship that much of the progress has been made since the last Special Session. Intensive negotiations between those two States in the last several years have brought new and historic achievements, most notably in the landmark INF Agreement signed in Washington last December and the agreement in principle to reduce strategic nuclear arms by fifty per cent. Those accomplishments present this Special Session with both the opportunity and the stimulus to pursue other avenues leading to greater international security and stability.

The multilateral arms control process has also had significant success in the context of East-West relations. The Stockholm Agreement, which came into effect in January 1987, has brought greater openness and predictability about military activities in Europe. Anticipated new negotiations on conventional stability covering the whole of Europe between all Members of NATO and the Warsaw Pact offer us the opportunity for more progress.

There has also been some movement forward in non-East-West forums but it has been much less spectacular. The Conference on Disarmament has made some progress on negotiations on a global convention to ban chemical weapons, but the repeated reports about the use of chemical weapons in the Gulf War only demonstrate how far we are from an effective agreement and the urgency of our obligations. There was also progress in last year's successful Disarmament and Development Conference, the endorsement of the Non-Proliferation Treaty at the Third Review Conference of the Treaty; the inclusion of conventional disarmament on the agenda of the United Nations and the consensus report of the UNDC on verification.

In this Special Session it is important that we take realism as our guide and apply what we have learned from our successes, and from our failures. We have learned that arms control and disarmament cannot be viewed as ends in themselves. Both have value only if they contribute to security and well-being. Most countries accept the desirability of constraining or banning weapons systems. But we cannot aspire to the reductions we seek, or the agreements necessary to sustain them, unless all states take advantage of opportunities to support those objectives.

Experience has shown that successful arms control and disarmament agreements share a number of essential qualities. The first and most obvious is enhanced security. Arms control agreements must maintain and enhance the security of all those involved in the negotiation.

There are other essential qualities as well.

One is mutual benefit. Realism in arms control demands that a successful negotiation offer something for all parties.

Negotiations must also be substantive. We must not spend our time negotiating the non-essential or the frivolous. A proliferation of arms control forums is not likely to lead to more arms control agreements unless they have clear and substantive mandates.

Arms control agreements must also be crafted to ensure that the benefits of limits on weapons are not undone by redeployment or by qualitative improvements to remaining weapons.

A fifth, and related criterion, is non-transferability of the threat. Arms control agreements will achieve little and are unlikely to succeed if they remove the threat from one region by increasing it in another.

Finally, an arms control agreement must be verifiable. The agreement must include not only thorough verification provisions, but the substance of the agreement must be such that compliance can be effectively demonstrated.

These essential qualities are demanding.

Nonetheless our experience clearly shows that while the negotiation of agreements will not be easy, it is not impossible. An effective disarmament and arms control regime can meet these criteria only through measured and individual steps which see every contentious aspect settled. The issues on which we seek agreement vary much too widely and are too complex to allow us to behave otherwise.

Canada sees confidence-building as essential to arms control and disarmament. We regard the concepts of openness, transparency and predictability as imperative. The establishment of agreed procedures for inspections at the Stockholm Conference on Confidence- and Security-Building Measures and Disarmament in Europe in September 1986 is an accomplishment which stands as a precedent and model for other arms control negotiations, at bilateral or regional levels.

The principles essential to the success of confidence-building measures should be promoted on every occasion. In this regard, we urge Members of the United Nations to comply with the General Assembly recommendation on reporting annual military expenditures. Only twenty or so countries regularly comply with this recommendation. It is a small step, but we cannot hope to take larger steps without more members of this Assembly giving effect to our own recommendations.

Indeed, one of the happy consequences of the Reagan-Gorbachev summits is to broaden the responsibility for arms control. For some time, the focus of arms control discussions was to encourage the superpowers to act. Now the superpowers are acting, and the question becomes whether other States are prepared to demonstrate themselves the leadership we have asked of the United States and the Soviet Union. It is no longer enough to advocate action by others. Whether the issue is chemical weapons or adherence to the Non-Proliferation Treaty, or fidelity to the recommendations of the General Assembly, the new climate involves new obligations for all of us.

Ultimately, neither arms control nor disarmament can succeed without a general will to make them succeed. The issue is fundamentally political, and this Special Session is one assembly in which political will can be cultivated and demonstrated. Increasing trust, good relations and arms reductions go together: they are mutually reinforcing.

It is not enough that the established framework of international institutions and laws must remain in place; they must as well be respected in practice by Members of the United Nations.

The strength of this institution is not the responsibility of any one group of nations; it is the responsibility of all of its members. We must all work in support of the UN and not undermine it. We cannot ask it to do the impossible. We have to set realistic goals, and we have to give it the means to achieve these goals.

In that context, the frequent calls we have heard at this Special Session for a new Fund to transfer the resources saved from disarmament to development is an example of a failure to learn from past experiences. Last year the Disarmament and Development Conference issued a final document stressing the multi-dimensional nature of security. The participants rejected both a direct linkage between disarmament and development and the creation of a fund. Nations like Canada already have mechanisms for providing funds to development, as does the United Nations itself, and in many developing countries there are ample existing claims upon any resources made available through disarmament.

Just as arms control and enhanced security are not a monopoly of the superpowers, neither is disarmament limited to nuclear arms alone. The terrible consequences of military actions in the decades since the Second World War have been caused by conventional, and latterly chemical weapons. We must face this issue squarely.

No conflict or arms build-up, however small or isolated, is irrelevant or can be ignored as any of them can undermine the security of all of us.

Canada is determined to play a leading role in moving the agenda forward. Our commitment and contribution to the cause of arms control and disarmament is well established. We will use the influence we have, and make available the expertise we hold to help reduce the danger of conflict, and to reverse the build-up of arms.

Our first goal at this Special Session, therefore, should be to endorse continued adherence to a well founded and realistic approach to arms control and disarmament.

This requires that we set clear, realistic goals, and that we choose and adhere to priorities. In arms control and disarmament, priorities must be established no less than in other areas if we are to have specific landmarks against which to measure progress. This lesson is especially true for the United Nations and for its arms control activities.

This Special Session will help to keep alive the spirit of progress and achievement if it can identify and isolate those areas which command consensus and where we can agree we should concentrate our efforts. Canada has listened with interest and attention to the statements of the Special Session. We believe that a measure of agreement does exist on certain issues where Canada considers it would be worthwhile to concentrate our attention in the future.

First, deep and verifiable reductions in the arsenals of nuclear weapons must remain as the highest priority in international disarmament.

The achievement of a comprehensive Test Ban Treaty remains a fundamental and enduring objective for Canada. The Special Session should recognize the successful efforts already made in Soviet-American negotiations in this area and endorse this full-scale stage-by-stage negotiating procedure.

No measure demonstrates the commitment of a nation to nuclear disarmament more effectively than adherence to the Non-Proliferation Treaty. Beginning last week and throughout this Session, officials of the Canadian Government, on my instructions, will be calling on the Governments of all non-signatories of this Treaty, strongly urging any nation that has not done so to accede to this essential arms control treaty. I hope that the Special Session will issue a similar call. It is no longer possible to argue, as some have, that the superpowers must first reduce their own nuclear arsenals. If that was a condition preordained, it has been met.

The focus of attention on nuclear arms should not, however, be allowed to deflect attention from the need for progress in arms reduction in the field of conventional arms. This question must be addressed with no less urgency than that attached to nuclear questions. It is in this area that regional approaches to arms control and disarmament may well provide the best returns.

The negotiation of a convention prohibiting chemical weapons and eliminating their stockpiles must be regarded as a matter of paramount importance. This Session should unequivocally condemn their use. While progress has been accomplished, greater efforts must be made to conclude an effectively verifiable comprehensive ban on chemical weapons.

Until such an agreement is reached, every step must be taken to prevent the transfer to other states of chemical weapons, and to follow the example of those countries which have moved to control the export of highly toxic chemicals and to institute a "Warning List" procedure for others.

The prevention of an arms race in space remains a major goal of Canadian policy and a matter which concerns us all. Canada will continue to work to ensure that outer space is developed for peaceful purposes.

Verification is essential to the arms control and disarmament process. It has been a major preoccupation for Canada and we are encouraged that so many speakers in this forum share that priority.

Already, a welcome new international consensus has developed on this subject. In May, last year, the Disarmament Commission established a Working Group on Verification which Canada chaired. This year, the Working Group adopted a report which included sixteen verification principles amplifying the provisions on verification agreed at the First Special Session. I would urge all Members of the United Nations to reinforce the efforts of the Disarmament Commission and subscribe fully to these principles.

To help promote the cause of multilateralism in this field, we and the Netherlands have proposed that an in-depth study be undertaken by a United Nations Group of Experts. Such a report will advance international understanding of verification within the UN framework, and help develop an appropriate role for the Organization in this field. I ask that Members of the United Nations support this proposal.

Mr. President, in the last six years, we have shown that arms control and disarmament can work, and that it can be made part of the growing fabric of our international relations. Canada stands ready to work with Member States in the pursuit of goals agreed by this Special Session. Let us continue to nourish further the cause of arms control and disarmament.

CANADIAN

FOREIGN POLICY

SERIES



External Affairs
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Affaires extérieures
Canada

STATEMENTS AND SPEECHES



Statement by the
Right Honourable Joe Clark,
Secretary of State for
External Affairs, at the
Opening Session of the
Commonwealth Foreign Ministers
Meeting on Southern Africa

TORONTO, ONTARIO

August 2, 1988

Canada

I would like first to introduce the Ministers present I would like to thank General Obasanjo for coming to help us in our deliberations.

It is a great pleasure to welcome you, colleagues, officials, and a number of very special invited guests to Canada.

Prime Minister Mulroney chaired the Conference which created the Committee and has asked me to convey this personal message to you:

"In Vancouver, the Heads of Government determined that continued high level impetus was required to meet the challenges posed by the system of apartheid in South Africa. They asked you to assume this task. I know that you made a very useful beginning in Lusaka.

South Africa continues to shock us all in its disregard for equality. Its thorough and systematic violation of the fundamental principles of human rights is totally unacceptable. It is the antithesis of everything for which the Commonwealth stands.

The Government of South Africa has given further clear evidence that it has not taken the fundamental decision to abandon apartheid. It still refuses to sit down with black leaders to forge a new South Africa. Like Nelson Mandela, the majority of the population remains in a kind of prison. Pretoria is unwilling even to let church leaders deliver letters to the President calling for political freedom. In this deteriorating situation, your Committee's task is ever more urgent.

The people of South Africa are looking to the Commonwealth, through you, to combat apartheid with vigour. My commitment, and that of my Government, to maintain this vigil and to press for an end to apartheid is resolute and unqualified. I wish you success in your endeavours to bring us closer to that objective."

At Vancouver our Committee was charged with pursuing Commonwealth goals to reach into South Africa to aid the victims and opponents of apartheid, to promote dialogue, and counteract South African censorship and propaganda: we were to widen, tighten and intensify sanctions to make them more effective: we were to increase our support to South Africa's neighbours in the face of destabilization by Pretoria: and we were to press for Namibian independence.

That is our specific mandate, and it reflects real pressure and initiatives against apartheid. In Canada's case alone, our trade with South Africa has been cut in half in two years; our aid has increased by millions of dollars, and extended to new fields like support for court challenges, for political detainees, for trade unions. We have introduced new sanctions, including last week a tightening of the Gleneagles Agreement to affect professional athletes in tennis and golf. We are looking at ways to restore the Limpopo line. We have raised the sanctions and other issues directly at the Economic Summit, and in other meetings. The Prime Minister has been to southern Africa, and met the leaders of that region, including, in his office in Ottawa, Oliver Tambo of the African National Congress. Those are some actions, in the last three years, by Canada alone.

The point of this Committee is that Canada has not been alone. Nor have the Front-Line States. Nor have the individual victims of apartheid. The issues of southern Africa seem to have been thrust forward on the international scene - because, for a quarter of a century, those issues were on the sidelines, and apartheid endured, lighting lives, building tensions, inviting violence. The agency through which those interests have come together most dramatically is this Commonwealth. We are different races working together as equals, the antithesis of apartheid. More than that, we are the family in which South Africa was raised; the family to which South Africa, free of apartheid, would be welcomed home.

Other nations, not on this Committee, have more economic power than the eight countries working together here. But it is becoming clear that the influence of the Commonwealth extends beyond our economic weight. All members of this Committee are conscious of our opportunity and responsibility to demonstrate a leadership which others may follow. Whatever our differences of perspective or description, we are together determined to provide that active, constructive leadership.

In February in Lusaka, the Committee identified areas where concrete action could occur. Today and tomorrow we will consider individual new steps which governments of the Commonwealth can adopt. We intend to maintain steady and building pressure until the system of apartheid is ended.

That goal reaches beyond governments, to mobilize individual citizens and organizations.

To that end Canada, as host of this meeting, has organized parallel events here in Toronto. Their theme is "help rekindle the light" of freedom. Today a forum at City Hall will examine censorship and propaganda and give the public a chance to meet and talk with prominent South Africans, and others. A festival of the arts which opened yesterday brings apartheid and the battle against it into sharp relief.

A tolerant and free society is based on respect for other people. As it is codified in terms set out in the Universal Declaration of Human Rights, all individuals, irrespective of race, religion, sex or other characteristics, are, in a fundamental way, equal. That very principle of equality is blatantly denied and violated by the apartheid system which is rooted in racial inequality.

On behalf of the Committee, I welcome to Canada the South Africans both black and white who experience the full weight of apartheid: who have fought back: who represent the hope of the future for South Africa. We look forward to hearing your views and exchanging ideas with you. You bring an immediate reality to our deliberations.

One of those we invited is not here. Cyril Ramaphosa leads the United Mine Workers. The Government of South Africa would not let him travel to Toronto. It is clear that Pretoria does not want us to hear what he has to say. We regret Mr. Ramaphosa's inability to join us. The action taken against him is eloquent testimony to the nature of apartheid.

In Lusaka we decided that here in Toronto we would give particular attention to the problems posed by censorship in South Africa and the efforts of the Government of South Africa to mislead the world about the realities there. Our decision was timely. There have been new uses of old measures to control the press. Newspapers have been closed and others have been threatened to get across the message that the truth will not be tolerated. The new State of Emergency regulations added restrictions. The Government of South Africa will not permit the South African media to oppose or to expose apartheid.

From the South African Government we hear no willingness to negotiate a new form of government to represent all South Africans with those whom the majority can choose for itself in a free and unqualified manner. Legitimate black leaders respond from jail, or exile, or through the filters of banning and censorship.

In presenting a false image to the world, the Government of South Africa is also pretending to itself. By exposing South African propaganda perhaps we can force that Government too, to recognize the realities it tries to hide. We will have before us a Canadian strategy paper which will, I hope, help to guide our thoughts on this important subject.

I would like to close by renewing my welcome to Canada and to Toronto. Toronto has become Canada's largest city, and it has done so by attracting people to it from around the world. A city which takes so much pride in its diversity is an appropriate setting for a meeting of a Commonwealth Committee focussed on problems which have grown out of racism.

CANADIAN

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External Affairs
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STATEMENTS AND SPEECHES



Speech by

Ambassador Richard V. Gorham,
Roving Ambassador for Latin America
and Ambassador, Permanent Observer
of Canada to the Organization of
American States

WASHINGTON, UNITED STATES

September 7, 1988

Canada

MR. PRESIDENT OF THE PERMANENT COUNCIL

MR. SECRETARY GENERAL

MR. DEPUTY SECRETARY GENERAL

DISTINGUISHED MEMBERS OF THE COUNCIL

DISTINGUISHED PERMANENT OBSERVERS

IT IS A GREAT PRIVILEGE FOR ME PERSONALLY AND IN MY OFFICIAL CAPACITY AS THE AMBASSADOR AND PERMANENT OBSERVER OF CANADA TO ADDRESS THIS MEETING OF THE PERMANENT COUNCIL ON THE SUBJECT OF CANADA'S RELATIONS WITH LATIN AMERICA AND THE CARIBBEAN AND WITH THE ORGANIZATION OF AMERICAN STATES.

BEFORE I TALK ABOUT OUR RELATIONS, LET ME SAY A FEW WORDS ABOUT CANADA ITSELF AND HOW WE VIEW THE WORLD. GEOGRAPHICALLY AND CLIMATICALLY WE ARE VERY MUCH A NORTHERN COUNTRY STRETCHING ALL THE WAY TO THE ARCTIC OCEAN. WE ARE SO MUCH A NORTHERN COUNTRY THAT WE RARELY USE THE WORD SOUTH TO DESCRIBE ANY PART OF OUR OWN GEOGRAPHY. FOR MOST CANADIANS WHEN WE THINK "SOUTH" WE ARE THINKING OF THE UNITED STATES, MEXICO, THE CARIBBEAN OR SOUTH AMERICA. SO THERE WE ARE, STUCK AT ONE EXTREME, AND ONLY PARTLY HOSPITABLE, END OF THIS ELONGATED HEMISPHERE, WHICH MAY HELP TO EXPLAIN WHY WE HAVE NOT BEEN UNDERSTOOD, OR VISITED OR, FOR THAT MATTER, INVADED OR TRAMPLED UPON AS MUCH AS MIGHT

OTHERWISE HAVE BEEN THE CASE. WE OCCUPY MORE TERRAIN AND ENJOY OR, DEPENDING ON THE POINT OF VIEW, SUFFER FROM THE LOWEST POPULATION DENSITY OF ANY COUNTRY IN THE HEMISPHERE. WE HAVE BEEN BLESSED WITH ENORMOUS AGRICULTURAL, MINERAL AND ENERGY RESOURCES AND ARE THEREFORE, LIKE MANY OF YOU, SENSITIVE TO CHANGES IN INTERNATIONAL COMMODITY PRICES. WE HAVE BEEN SHAPED BY OUR EUROPEAN ROOTS AND MORE RECENTLY BY THE INFLUENCE OF OUR IMMEDIATE NEIGHBOUR. WE ARE DRIVEN BY A MONARCHICAL, PARLIAMENTARY SYSTEM AND THE DYNAMIC TENSION OF TWO DOMINANT CULTURES. BUT, ALTHOUGH WE ARE A NATION OF PREDOMINANTLY EUROPEAN ORIGIN, PRINCIPALLY FROM GREAT BRITAIN AND FRANCE, WE ARE A LAND OF IMMIGRANTS FROM ALL PARTS OF THE WORLD WHO FIND IN CANADA NOT A MELTING POT BUT A MOSAIC OF CULTURES AND ETHNIC BACKGROUNDS WHICH GIVE US A DIVERSITY UNCOMMON TO MOST COUNTRIES OF THE WORLD. WE ARE AN ACTIVE MEMBER OF THE COMMONWEALTH AND FRANCOPHONIE. CONTRARY TO MANY OTHER COUNTRIES IN THIS HEMISPHERE, WE DO NOT HAVE A REVOLUTIONARY HISTORY. THIS IS NOT TO SUGGEST, HOWEVER, THAT WE ARE A NEUTRAL OR NON-ALIGNED NATION. AS YOU KNOW, WE WERE A FOUNDING MEMBER OF NATO AND WE CONTINUE TO BE STAUNCH SUPPORTERS IN BOTH DEFENCE AND PEACEKEEPING EFFORTS. BUT OUR BIRTH AS A NATION, NOT SO LONG AGO IN 1867, AND THE MATURING PROCESS SINCE, WERE ESSENTIALLY PEACEFUL (AT LEAST ON THE SURFACE ALTHOUGH, LIKE A DUCK SWIMMING, ANYTHING BUT TRANQUIL UNDERNEATH).

WHAT DOES THIS MEAN FOR THE WAY WE LOOK AT THE WORLD IN GENERAL, AND LATIN AMERICA AND THE CARIBBEAN IN PARTICULAR? IT MEANS THAT WE HAVE A RELATIVELY STRONG AND DIVERSIFIED ECONOMY WHICH HAS EMPHASIZED NATURAL RESOURCE EXPLOITATION, ENERGY, AGRICULTURE AND, TO BIND TOGETHER OUR SCATTERED POPULATION, TRANSPORTATION AND COMMUNICATION SECTORS, WHICH ARE IN CONSEQUENCE ALL AREAS IN WHICH CANADA CAN OFFER EXPERIENCE TO COUNTRIES IN NEED OF IT. IT MEANS THAT WE ARE ONE OF THE WORLD'S MOST ACTIVE TRADING NATIONS WITH A CONTINUING NEED TO PURSUE EXPORT MARKETS AND TO SEEK FOREIGN INVESTMENT. IT MEANS THAT WE PLACE VERY STRONG STORE BY DEMOCRATIC VALUES, RESPECT FOR INDIVIDUAL LIBERTIES, RESPECT FOR HUMAN RIGHTS AND THE COMMITMENT TO PEACEFUL RESOLUTION OF PROBLEMS, BOTH DOMESTIC AND INTERNATIONAL. IT MEANS THAT WE HAVE DEVELOPED A FOREIGN POLICY OF GLOBAL SCOPE, BUT OF MODEST PRETENSIONS. IT MEANS THAT, WHILE RECOGNISING THE INFLUENCE OF THE UNITED STATES AND SHARING MANY OF ITS SECURITY CONCERNS, WE APPROACH OUR GLOBAL RELATIONSHIPS FROM A UNIQUE PERSPECTIVE.

CANADA'S RELATIONS WITH LATIN AMERICA AND THE CARIBBEAN WHICH GO BACK MANY YEARS, ORIGINATED WITH INDIVIDUALS OR, AS WE SAY NOWADAYS, THE PRIVATE SECTOR. THROUGHOUT THIS CENTURY OUR COMMON INTERESTS IN THE REGION HAVE BEEN BASED IN PART ON TRADE, INVESTMENT AND BANKING. MAJOR CANADIAN COMPANIES LIKE ALCAN,

BRAZILIAN TRACTION AND SOME CANADIAN COMMERCIAL BANKS AND INSURANCE COMPANIES WERE ACTIVE IN THE REGION LONG BEFORE ANY CANADIAN DIPLOMATIC PRESENCE. BUT EQUALLY IMPORTANT, THERE HAS BEEN A SUBSTANTIAL FLOW OF PEOPLE - TYPICALLY BUSINESSMEN, MISSIONARIES AND TOURISTS FROM CANADA AND IMMIGRANTS, REFUGEES AND STUDENTS TO CANADA - WHICH HAS STRENGTHENED MUTUAL AWARENESS OVER THE YEARS.

IN RECENT DECADES WE HAVE WITNESSED THE INSERTION OF GOVERNMENTS, OR THE PUBLIC SECTOR, AS A VITAL ELEMENT IN THE RELATIONSHIP, COMPLEMENTING AND REINFORCING THE NATURAL FLOW OF PRIVATE INDIVIDUALS, GOODS AND SERVICES. CANADA HAS NEGOTIATED FRAMEWORK AGREEMENTS AND OTHER FORMAL ARRANGEMENTS WITH MANY COUNTRIES OF THE REGION AS THE BASIS FOR A CONSULTATIVE PROCESS TO GIVE DIRECTION AND IMPETUS TO THE DEVELOPMENT OF BILATERAL RELATIONS, FOR THE EXCHANGE OF VIEWS ON A WIDE RANGE OF POLICY ISSUES AND FOR THE RESOLUTION OF PROBLEMS. THESE GOVERNMENTAL LINKAGES, WHICH DATE FROM THE LATE 1940'S WHEN CANADA FIRST ESTABLISHED DIPLOMATIC RELATIONS WITH THE REGION, HAVE SERVED TO BROADEN AND DEEPEN CANADA'S DIALOGUE WITH, AND UNDERSTANDING OF, COUNTRIES IN THE HEMISPHERE. BUT WE ARE NOW WITNESSING A GEOPOLITICAL CHANGE IN THE REGION, WITH COUNTRIES CLEARLY SEEKING BROADER REGIONAL AND INTERNATIONAL RELATIONSHIPS. WE ARE VERY MUCH PART OF THIS PROCESS OF ENDEAVORING TO DETERMINE WHAT ROLES WE SHOULD PLAY. IN THIS CONTEXT, PERHAPS I MIGHT

SUMMARIZE THE OVERALL THEMES WHICH DOMINATE TODAY OUR RELATIONS WITH LATIN AMERICA AND THE CARIBBEAN.

TRADE AND INVESTMENT OBJECTIVES WITH LATIN AMERICA AND THE CARIBBEAN CONTINUE TO BE OF PRIME IMPORTANCE TO US. TO PUT IT IN PERSPECTIVE, OUR TWO-WAY TRADE LAST YEAR WITH THE REGION AMOUNTED TO SOME 7.5 BILLION CANADIAN DOLLARS WITH THE BALANCE FOUR TO THREE IN YOUR FAVOUR, A TRADE LEVEL SIMILAR TO THAT WHICH WE ACHIEVED WITH HONG KONG, SINGAPORE, TAIWAN AND SOUTH KOREA COMBINED. AMONGST THE MANY THINGS WE BOUGHT FROM YOU, PETROLEUM FROM YOUR REGION REPRESENTED SOME 15 PER CENT OF OUR TOTAL OIL IMPORTS. WE BELIEVE THAT WE ARE GOOD TRADING PARTNERS BECAUSE AN INCREASING AMOUNT, RECENTLY REACHING 83 PER CENT OF LATIN AMERICAN AND CARIBBEAN EXPORTS TO CANADA ENTER OUR COUNTRY DUTY-FREE AND VIRTUALLY ALL COUNTRIES ARE ELIGIBLE FOR THE CANADIAN GENERAL SYSTEM OF PREFERENCES. CANADA IS ALSO A MAJOR INVESTOR IN THE REGION, WHICH IS THE SECOND LARGEST RECIPIENT OF CANADIAN INVESTMENT ABROAD AFTER THE UNITED STATES.

THE SPREAD OF DEMOCRATIC IDEALS AND PRACTICES WHICH WE HAVE WITNESSED IN RECENT YEARS UNDERLINES AND GIVES SUBSTANCE TO OUR KEY POLITICAL RELATIONS WITH THE REGION. WE FOLLOW CLOSELY THE INTENSE DIALOGUES WHICH YOUR GOVERNMENTS PURSUE OVER THE FULL

SPECTRUM OF GLOBAL CONCERNS AND ASPIRATIONS AND THE DISCUSSIONS WITHIN THE VITAL FORA WHICH HAVE EMERGED IN THE HEMISPHERE OVER THE YEARS, SUCH AS THE RIO GROUP, THE SYSTEMA ECONOMICA LATINAMERICANA AND, OF COURSE, THIS ORGANIZATION. WE OBSERVE, BUT WE ALSO PARTICIPATE. WE CONSIDER MANY OF YOUR GOVERNMENTS AS KEY INTERLOCUTORS.

A MATTER OF VITAL INTEREST TO US IN THE REGION IS STABILITY. I WISH TO ASSURE YOU THAT CANADA IS VERY CONSCIOUS OF ITS POSITION AS A NATION OF THIS HEMISPHERE JUST AS WE ARE CONSCIOUS OF THE ROLE THAT WE CAN PLAY - AND INDEED WHICH WE ARE PLAYING - IN THE PROMOTION OF PEACE AND STABILITY AND PROSPERITY IN THE HEMISPHERE. JUST AS THE GOVERNMENTS REPRESENTED AROUND THIS TABLE, THE GOVERNMENT AND PEOPLE OF CANADA HAVE VIEWED THE SITUATION IN CENTRAL AMERICA WITH DEEP CONCERN. TRADITIONALLY CANADA HAD FEW TIES WITH THE REGION - LITTLE TRADE, MINIMAL INVESTMENT AND UNTIL A DECADE AGO, VERY LITTLE AID. IN THE 1980S, HOWEVER, THE CANADIAN GOVERNMENT, INDEED SUCCESSIVE CANADIAN GOVERNMENTS HAVE BEEN COMMITTED, IN WHATEVER WAY POSSIBLE, TO ASSIST THE REGION ALONG THE DIFFICULT ROAD TO PEACE AND STABILITY.

CANADA LENT ITS FULL SUPPORT TO THE CONTADORA PROCESS SINCE ITS INCEPTION IN EARLY 1983. THE PREVIOUS GOVERNMENT OFFERED TO

PUT CANADA'S 35 YEAR EXPERIENCE OF PEACEKEEPING AT THE DISPOSAL OF THE CONTADORA GROUP. THIS WAS FURTHER DEVELOPED BY THE THEN SECRETARY OF STATE FOR EXTERNAL AFFAIRS IN HIS APRIL, 1984 VISIT TO THE REGION. SUBSEQUENTLY CANADA PROVIDED A SERIES OF WRITTEN CONTRIBUTIONS ON VERIFICATION AND CONTROL AT THE REQUEST OF THE CONTADORA COUNTRIES. THE EMERGENCE OF THE HISTORIC ESQUIPULAS II ACCORD WAS OF COURSE WARMLY WELCOMED BY THE CURRENT CANADIAN GOVERNMENT. OUR LONG STANDING OFFER OF ASSISTANCE IN VERIFYING THE SECURITY COMMITMENTS ARISING FROM THE GUATEMALA AGREEMENT HAS BEEN REPEATEDLY RECONFIRMED BY THE RIGHT HONOURABLE JOE CLARK, THE SECRETARY OF STATE FOR EXTERNAL AFFAIRS ON SEVERAL OCCASIONS. IT WAS NOT ONLY OUR SUBSTANTIAL EXPERTISE AND INTERNATIONAL EXPERIENCE IN PEACEKEEPING THAT LED US TO THIS ROLE. IT WAS DEEP DESIRE AMONG THE CANADIAN PEOPLE TO SEE PEACE AND STABILITY IN CENTRAL AMERICA. CANADIAN POLICY CLEARLY REFLECTS THIS CONCERN.

THE PRIME MINISTER OF CANADA ON MARCH 28 THIS YEAR IN A SPEECH IN NEW YORK UNDERSCORED CANADA'S COMMITMENT TO PEACE IN THE REGION:

"CANADA STANDS READY TO UNDERTAKE A PEACE SUPERVISORY ROLE ANYWHERE IN THE REGION WHERE IT MIGHT BE HELPFUL,

PROVIDED THE CENTRAL AMERICAN GOVERNMENTS THEMSELVES DESIRE OUR INVOLVEMENT AND CREATE A FRAMEWORK FOR EFFECTIVE ACTION. OUR POLICY IS CLEAR -- WE SHALL SUPPORT ANY INITIATIVE WHICH CONTRIBUTES TO THE STABILITY OF THE REGION, TO SELF-DETERMINATION FOR ITS NATIONS, TO PEACE FOR ITS PEOPLES."

THE ACTIVE CONCERN AND OBJECTIVE INTEREST OF CANADA IN THE CONTINUING CRISIS IN CENTRAL AMERICA WAS RECOGNISED BY THE CENTRAL AMERICAN GOVERNMENTS IN THEIR COMMUNIQUE OF APRIL 7 IN WHICH THEY ANNOUNCED THEIR INTENTION TO INVITE SPAIN, WEST GERMANY AND CANADA TO DESIGN THE PEACE MECHANISMS FOR THE REGION.

THE SAPOA AGREEMENT IN NICARAGUA WAS SEEN AS A SIGNIFICANT BREAKTHROUGH IN THE QUEST FOR PEACE AND WAS SUPPORTED BY A RESOLUTION OF THE CANADIAN PARLIAMENT. WE WELCOMED THE CONSTRUCTIVE EFFORTS OF SECRETARY GENERAL BAENA SOARES AS A WITNESS AND VERIFIER OF THOSE DISCUSSIONS. HIS ROLE WAS NOT ONLY SEEN AS BEING HELPFUL TO THE PEACE PROCESS IN CENTRAL AMERICA BUT ALSO INSTRUMENTAL IN ENABLING THIS ORGANIZATION TO FULFIL THE MANDATE AND FURTHER THE PRINCIPLES OF ITS CHARTER.

IT IS DISAPPOINTING TO ALL OF US WHO ARE WORKING TOWARD PEACE IN CENTRAL AMERICA THAT THESE TALKS HAVE BECOME STALLED. WE CALL ON BOTH SIDES TO RENEW THEIR EFFORTS SO THAT THE HOPE FOR PEACE AND DEMOCRACY IN NICARAGUA WILL BE A REALITY. IN THE BROADER CONTEXT, WE ENCOURAGE THE LEADERS OF THE FIVE CENTRAL AMERICAN COUNTRIES TO WORK TOGETHER TO REVIVE THE SPIRIT OF ESQUIPULAS II, AND RESTORE THE MOMENTUM OF THE HISTORIC PROCESS WHICH THEY INITIATED ONE YEAR AGO. CANADA STANDS READY TO ASSIST, AS WE HAVE SAID ON NUMEROUS OCCASSIONS, IN ANY PRACTICAL WAY WE CAN.

FOR UNDERSTANDABLE HISTORIC REASONS, CANADA HAS A VERY SPECIAL AND PRIORITY RELATIONSHIP WITH THE ENGLISH-SPEAKING NATIONS OF THE CARIBBEAN WITH WHICH WE SHARE A COMMON COLONIAL HERITAGE, A COMMON LANGUAGE, AND COMMON LEGAL AND POLITICAL INSTITUTIONS. THIS SPECIAL RELATIONSHIP IS MANIFESTED IN A VERY SIGNIFICANT LEVEL OF PEOPLE-TO-PEOPLE INTERCHANGES, INSTITUTIONAL COOPERATION AND THE ESTABLISHMENT IN 1986 OF CARIBCAN, AN ARRANGEMENT BY WHICH CANADA IS VIRTUALLY A FREE MARKET FOR COMMONWEALTH CARIBBEAN EXPORTS. OVER THE YEARS THE CARIBBEAN HAS BEEN A PRIORITY BENEFICIARY OF CANADIAN ECONOMIC DEVELOPMENT ASSISTANCE PRORAMMES. EACH SUMMER SOME 5,000 PERSONS FROM THE CARIBBEAN COUNTRIES OBTAIN TEMPORARY EMPLOYMENT IN CANADA IN HARVESTING AGRICULTURAL PRODUCTS IN A PROGRAM WHICH

WE HAVE HAD WITH THOSE COUNTRIES, AS WELL AS WITH MEXICO, FOR A NUMBER OF YEARS TO PROVIDE NEEDED EMPLOYMENT FOR THOSE CITIZENS.

A KEY INTEREST FOR US IN THE REGION, AS INDEED GLOBALLY, IS THE PROMOTION OF SOCIAL JUSTICE. COUNTRIES WHICH HAVE NOT YET ACHIEVED A REASONABLE MEASURE OF PROGRESS IN THE DEVELOPMENT OF DEMOCRATIC STRUCTURES AND PRACTICES SUFFER NOT ONLY FROM THE LIMITATION OF PERSONAL FREEDOMS AND ECONOMIC INEFFICIENCIES BUT ALSO, AT THE INTERNATIONAL LEVEL, DEVELOP DEPENDENCIES AND LINKAGES WHICH ARE NOT OPTIMAL FOR THE POLITICAL AND ECONOMIC HEALTH OF THE HEMISPHERE. THE PLIGHT OF THE POOREST POPULATION STRATA IN THE POOREST COUNTRIES IS ALSO OF KEY CONCERN TO CANADIANS. SO TOO IS RESPECT FOR HUMAN RIGHTS. FEW GOVERNMENTS CAN BE TOTALLY ABOVE CRITICISM IN THIS RESPECT, WHICH IS A COMPELLING REASON WHY WE SEE THE NEED AND POSSIBILITY FOR CLOSE INTER-GOVERNMENTAL COOPERATION TO STRENGTHEN HUMAN RIGHTS. CANADA HAS ALSO BEEN A HAVEN FOR THOSE WHO HAVE FELT IT NECESSARY TO SEEK INTERNATIONAL REFUGE FROM POLITICAL OR MILITARY TURMOIL. APPROXIMATELY 17,000 REFUGEES HAVE COME TO CANADA FROM THE REGION OVER THE PAST FIVE YEARS, MOSTLY FROM CENTRAL AMERICA WHERE WE HAVE BEEN AT THE FOREFRONT OF EFFORTS TO ASSIST. CANADA HAS ALSO CONTRIBUTED OVER THE SAME PERIOD MORE THAN 22 MILLION CANADIAN DOLLARS TO THE UNITED NATIONS HIGH COMMISSION FOR REFUGEES, THE INTERNATIONAL COMMITTEE OF THE RED CROSS AND OTHER INTERNATIONAL RELIEF AGENCIES FOR THEIR

PROGRAMMES FOR REFUGEES AND DISPLACED PERSONS IN THIS AREA. ALL OF THESE FACTORS ARE INTERRELATED. CANADA BELIEVES THAT IT HAS PLAYED AND WILL CONTINUE TO PLAY A ROLE IN PROMOTING SOCIAL JUSTICE IN THE REGION, THROUGH ACTIVE POLICY DIALOGUE, BY COOPERATION AND BY THE PROVISION OF RESPONSIVE AND EFFECTIVE DEVELOPMENT ASSISTANCE.

EXTERNAL DEBT BURDENS ARE A WORRYING FEATURE OF THE ECONOMIC AND FINANCIAL SITUATION OF MANY COUNTRIES AND THEY ARE COMPLICATING INTERNATIONAL RELATIONS IN THE HEMISPHERE. THE DIVERSION OF RESOURCES TO DEBT SERVICE PAYMENTS IS INHIBITING ECONOMIC AND SOCIAL DEVELOPMENT IN MANY COUNTRIES. THE PRESSING NEED TO ADDRESS THE PROBLEM OF MIDDLE-INCOME COUNTRY DEBT IN AN ORDERLY, CASE-BY-CASE APPROACH IS VITAL, AS DISCUSSIONS AT THE TORONTO SUMMIT HIGHLIGHTED. THERE HAS BEEN AS WELL A GROWING RECOGNITION OF THE NEED FOR FLEXIBILITY AND IMAGINATION IN SEEKING MEANINGFUL SOLUTIONS. INNOVATIONS OF THE LAST YEAR SUCH AS THE MEXICAN ZERO COUPON BOND PURCHASE AND THE BOLIVIAN DEBT BUY-BACK SCHEME HAVE BEEN OBSERVED WITH GREAT INTEREST. MR. CLARK CONSULTED CLOSELY WITH A NUMBER OF LATIN AMERICAN COUNTRIES ABOUT THE DEBT PROBLEM PRIOR TO THE TORONTO ECONOMIC SUMMIT, AND HE MADE A STRONG EFFORT TO HAVE THE SUMMIT PARTICIPANT COUNTRIES PAY SPECIAL ATTENTION TO THE MIDDLE-INCOME COUNTRIES' CONCERNS. THIS WAS PARTICULARLY EVIDENT IN THOSE

SECTIONS OF THE SUMMIT COMMUNIQUE ON THE DELICATE LINKAGE BETWEEN THE ECONOMIC PROSPECTS OF THE REGION AND THE INSTITUTIONALIZATION OF DEMOCRATIC REFORM, WHERE MR. CLARK'S WORDING PREVAILED. ACCORDINGLY, CANADA EXPECTS TO CONTINUE TO PLAY AN ACTIVE ROLE IN THE RESOLUTION OF FOREIGN DEBT PROBLEMS, AS A DEBTOR, AS A CREDITOR AND AS A PARTY TO G7 AND SUMMIT DELIBERATIONS WHICH ARE SENSITIZED TO THE CONCERNS OF OUR HEMISPHERIC NEIGHBOURS.

ECONOMIC GROWTH IS CLEARLY A KEY FACTOR IN THIS REGARD AND DEVELOPMENT ASSISTANCE A VITAL CATALYST. OVER THE LAST FIVE YEARS CANADA HAS PROVIDED DIRECTLY TO LATIN AMERICAN AND CARIBBEAN COUNTRIES A TOTAL OF 924 MILLION CANADIAN DOLLARS IN DEVELOPMENT ASSISTANCE. WE ARE PROUD OF THE WORK ALREADY ACHIEVED IN THIS REGARD BY THE CANADIAN INTERNATIONAL DEVELOPMENT AGENCY (CIDA) AND THE INTERNATIONAL DEVELOPMENT RESEARCH CENTRE (IDRC). I WOULD ALSO MENTION THAT IN RECOGNITION OF CENTRAL AMERICA'S PARTICULAR NEED FOR ECONOMIC AND SOCIAL DEVELOPMENT, CANADA HAS CONTRIBUTED OUT OF THE ABOVE AMOUNT TO THE FIVE COUNTRIES OVER THE PAST FIVE YEARS ECONOMIC ASSISTANCE VALUED AT 167 MILLION DOLLARS AND WE WILL BE CONTRIBUTING SUBSTANTIALLY MORE OVER THE NEXT FIVE YEARS. WE WERE A CO-SPONSOR OF THE RECENT UN GENERAL ASSEMBLY RESOLUTION CONCERNING AN ECONOMIC RECONSTRUCTION PLAN FOR CENTRAL AMERICA

AND WE WILL MAKE A SPECIAL EFFORT TO COORDINATE OUR EXISTING AND FUTURE ASSISTANCE ACTIVITIES WITH THIS PLAN. CANADA WILL CONTINUE TO BE AN ACTIVE PARTICIPANT, THROUGH BILATERAL AND MULTILATERAL CHANNELS, IN ECONOMIC DEVELOPMENT PROBLEMS IN LATIN AMERICA AND THE CARIBBEAN AND WE ARE ANXIOUS TO SUPPORT AND COOPERATE WITH THE IMPLEMENTATION OF REGIONAL DEVELOPMENT PROGRAMS OF THE OAS, OF PAHO, IICA AND OTHER INTER-AMERICA INSTITUTIONS. HOWEVER WE HAVE BECOME VERY CONCERNED AT THE INCREASING NUMBER OF PROGRAM PLANS AND ORGANIZATIONS DEDICATED TO THE SAME WORTHY OBJECTIVES WHICH HAS RESULTED IN A PLETHORA OF MEETINGS, CONFERENCES, RESOLUTIONS AND APPEALS FOR FUNDS. NOT ONLY DOES THIS LARGE NUMBER OF DIVERSE ACTIVITIES REPRESENT A DUPLICATION OF EFFORT AND AN EXPENDITURE OF FUNDS WHICH COULD BE MORE USEFULLY DIRECTED TO TANGIBLE DEVELOPMENT PROJECTS, BUT IT IMPOSES A SEVERE BURDEN ON THE HUMAN RESOURCES OF GOVERNMENT DEPARTMENTS AND INSTITUTIONS IN BOTH DONOR AND RECIPIENT COUNTRIES WHICH IMPEDES THEIR ABILITY TO IMPLEMENT ASSISTANCE PROGRAMS AS EFFECTIVELY AND PROMPTLY AS THEY WOULD LIKE. I WOULD LIKE TO SUGGEST, THEREFORE, THAT THE OAS SECRETARIAT COULD RENDER A VALUABLE SERVICE BY ACTING AS A COORDINATOR OF SUCH PROGRAMS AND CONFERENCES TO COMBINE RESOURCES AND ACTIVITIES WHERE POSSIBLE AND TO COORDINATE SCHEDULES TO AVOID DUPLICATION AND OVERLAP.

THE FIGHT AGAINST THE ILLEGAL DRUG INDUSTRY HAS LEFT FEW COUNTRIES OF THIS HEMISPHERE UNAFFECTED. CANADA BELIEVES THAT INTERNATIONAL ACTION, ESPECIALLY MULTILATERAL COOPERATION, IS ESSENTIAL TO REDUCE THE PRODUCTION, TRAFFICKING AND CONSUMPTION OF ALL TYPES OF PSYCHOACTIVE SUBSTANCES. IN LIGHT OF THE GROWING PROBLEM, CANADA WILL BE GIVING INCREASED EMPHASIS TO COOPERATION IN THIS SECTOR WITH COUNTRIES OF THE REGION. I WOULD NOTE THAT CANADA HAS ADOPTED ITS OWN NATIONAL DRUG STRATEGY. WE HAVE BEEN VERY FAVOURABLY IMPRESSED BY THE EFFECTIVE STEPS WHICH HAVE BEEN TAKEN BY THE INTER AMERICAN DRUG ABUSE CONTROL COMMISSION (CICAD) AND WITH THE STRONG PLEDGES OF SUPPORT TO THE WORK OF CICAD EXPRESSED BY MEMBER GOVERNMENTS AT LAST YEAR'S GENERAL ASSEMBLY. IN RESPONSE TO THAT ASSEMBLY'S RESOLUTION TO SEEK FURTHER SUPPORT OF MEMBER STATES AND OBSERVER COUNTRIES WE HAVE PARTICIPATED POSITIVELY IN RECENT CICAD PROGRAMMES AND ACTIVITIES AND I AM HOPEFUL-AND OPTIMISTIC - THAT OUR COLLABORATION AND COOPERATION WILL INCREASE AND EXPAND OVER THE COMING MONTHS.

I STARTED OUT TALKING ABOUT PEOPLE. CANADIAN PEOPLE, IT SEEMS CLEAR, LIKE AND EVEN LOVE YOUR REGION. OVER ONE MILLION VISITED LAST YEAR AS TOURISTS. SOME 40,000 ARE RESIDENT WITH YOU. THESE MAY NOT BE LARGE NUMBERS TO YOU, BUT THEY ARE QUITE

SIGNIFICANT TO US. AND THEY UNDERLINE ANOTHER IMPORTANT, INDEED VITAL, LINK WHICH WE MAINTAIN WITH YOUR GOVERNMENTS - THE PROVISION OF CONSULAR SERVICES TO CANADIANS IN YOUR MIDST. BUT THE FLOW IS NOT ONE WAY. 250,000 OF YOUR TOURISTS, BUSINESSMEN AND STUDENTS VISITED US LAST YEAR. WE ENCOURAGE IMMIGRATION TO OUR SHORES AND WE ARE PROUD TO HAVE ALMOST ONE MILLION FIRST AND SECOND GENERATION IMMIGRANTS FROM THE REGION. ONE OF THEM, THE SON OF JAMAICAN IMMIGRANTS, IS LIEUTENANT GOVERNOR OF ONTARIO, OUR LARGEST PROVINCE. ALL OF THEM, FROM WHATEVER COUNTRY IN THE REGION, PLAY A FULL PART IN CANADA'S DEVELOPMENT.

I TURN NOW FROM THE MAIN THEMES WHICH INFLUENCE OUR BILATERAL RELATIONS WITH COUNTRIES OF THE REGION TO CANADA'S RELATIONS WITH THIS HEMISPHERE'S HISTORIC AND IMPORTANT CONSULTATIVE BODY, THE ORGANIZATION OF AMERICAN STATES. I HAVE TWO THINGS TO SAY ON THIS MATTER. FIRSTLY, CANADA IS AN UNAMBIGUOUS SUPPORTER OF THE IDEALS AND OBJECTIVES ESPOUSED BY THE OAS. WE PRIDE OURSELVES ON BEING ATTENTIVE OBSERVERS OF THIS IMPORTANT FORUM. WE ARE ALSO ACTIVE FULL MEMBERS OF SEVERAL SUBSIDIARY ORGANIZATIONS, NOTABLY THE PAN AMERICAN HEALTH ORGANIZATION, THE INTER-AMERICAN INSTITUTE FOR COOPERATION ON AGRICULTURE, THE PAN AMERICAN INSTITUTE OF GEOGRAPHY AND HISTORY AND THE INTER-AMERICAN TELECOMMUNICATIONS

CONFERENCE. IN ADDITION PLANS ARE WELL ADVANCED FOR THE IMPLEMENTATION BY CIDA OF SUBSTANTIAL DEVELOPMENT ASSISTANCE PROJECTS TO IICA, PAHO AND THE OAS WHICH WILL AMOUNT IN TOTAL TO SOME 15 MILLION CANADIAN DOLLARS OVER THE NEXT FEW YEARS. LET ME BE MORE SPECIFIC. CIDA HAS RECENTLY APPROVED A CONTRIBUTION OF 1.3 MILLION CANADIAN DOLLARS TO THE OAS TO ESTABLISH A FUND FOR TECHNICAL COOPERATION WHICH WILL ENABLE THE DEPARTMENT OF ECONOMIC AND SOCIAL AFFAIRS TO DRAW UPON CANADIAN RESOURCES AND EXPERTISE IN THE IMPLEMENTATION OF ITS DEVELOPMENT PROJETS IN THE AMERICAS. I HOPE TO BE ABLE TO SIGN THE AGREEMENT WITH THE SECRETARY GENERAL IN THE VERY NEAR FUTURE.

THIS PROJECT AND THE OTHERS THAT ARE CURRENTLY UNDERWAY OR IN PLANNING WITH IICA AND PAHO ARE AN INDICATION OF THE APPRECIATION AND SUPPORT OF CANADA FOR THE EFFORTS OF THE LEADERSHIP OF THESE ORGANISATIONS TO MAKE THEM MORE EFFECTIVE AND EFFICIENT INSTRUMENTS FOR DEVELOPMENT AND CO-OPERATION IN THE HEMISPHERE.

AS A SECOND POINT, WE ARE OFTEN ASKED WHY CANADA HAS NOT JOINED THE ORGANIZATION OF AMERICAN STATES AS A FULL MEMBER - A STEP WHICH MANY AMERICAN, LATIN AMERICAN AND CARIBBEAN FRIENDS FREQUENTLY URGE US TO TAKE. ON A NUMBER OF OCCASIONS SINCE WE ACHIEVED PERMANENT OBSERVER STATUS IN 1972, SUCCESSIVE

GOVERNMENTS OF CANADA HAVE GIVEN SERIOUS CONSIDERATION TO THIS IMPORTANT ISSUE. HOWEVER, FOR VARIOUS REASONS WE DECLINED TO TAKE THE FINAL STEP. THESE REASONS REFLECT AT TIMES FINANCIAL AND BUDGETARY PRIORITIES, AT TIMES CONCERNS ABOUT UNDERTAKING ADDITIONAL SECURITY RESPONSIBILITIES BY ADHERING TO THE RIO TREATY, AT TIMES CONCERNS THAT FULL MEMBERSHIP MIGHT SUBJECT US TO PRESSURES FROM ONE SIDE OR ANOTHER OR RESTRICT OUR ABILITY FOR INDEPENDENT ACTION AND AT TIMES CONCERNS THAT OUR BILATERAL RELATIONS WITH INDIVIDUAL LATIN AMERICAN OR CARIBBEAN COUNTRIES, OR WITH THE UNITED STATES, MIGHT SUFFER BECAUSE OF POSITIONS THAT WE, AS NEWCOMERS IN THE ORGANIZATION, MIGHT TAKE IN AN EFFORT TO MAKE IT MORE EFFECTIVE, AS MANY OF OUR FRIENDS IN THE OAS HAVE SUGGESTED WE COULD. THE SIMPLE FACT IS THAT THERE HAS NEVER BEEN A NATIONAL CONSENSUS IN CANADA IN FAVOUR OF JOINING. FOR ALL OF THESE REASONS, SUCCESSIVE GOVERNMENTS IN CANADA HAVE CONCLUDED THAT WE SHOULD NOT SEEK MEMBERSHIP.

THAT BEING SAID, CANADA IS ANXIOUS TO BE ACTIVE AND CONSTRUCTIVE IN ITS ROLE AS A PERMANENT OBSERVER, AND THAT VANTAGE POINT GIVES US A DISPASSIONATE AND PERHAPS INSTRUCTIVE INSIGHT INTO THE CURRENT ORGANIZATION. WE SHARE, FOR INSTANCE, THE DESIRE TO COOPERATE CLOSELY WITH COUNTRIES IN LATIN AMERICA AND THE CARIBBEAN, BUT WE ALSO SHARE THE SAME CONCERNS OF ALL

PRESENT MEMBERS ABOUT THE FUTURE OF THE ORGANIZATION, AND WE ASK THE SAME QUESTIONS BEING ASKED BY MEMBER COUNTRIES AS TO WHAT SORT OF HEMISPHERIC ORGANIZATION WOULD BE MOST APPROPRIATE TO THE PRESENT AND TO THE FUTURE. WE HEAR MANY VOICES WITHIN THE ORGANIZATION'S MEMBERSHIP SUGGESTING THAT THE ORGANIZATION SHOULD BE CHANGED IN SOME FUNDAMENTAL RESPECTS BUT WE HEAR VERY LITTLE AGREEMENT AS TO WHAT THOSE CHANGES SHOULD BE OR HOW THEY SHOULD BE BROUGHT ABOUT.

THE 1985 CARTAGENA PROTOCOL, THE IMPLEMENTATION OF WHICH SECRETARY GENERAL BAENA SOARES RECENTLY DECLARED WAS ESSENTIAL TO THE "REVITALIZATION OF THE ORGANIZATION", STILL REMAINS UNRATIFIED BY SOME OF THE MOST IMPORTANT MEMBERS OF THE ORGANIZATION , LEADING THE SECRETARY GENERAL PUBLICLY TO EXPRESS HIS "DISENCHANTMENT BY THE CONTRAST BETWEEN THE PROTOCOL'S ENTHUSIASTIC APPROVAL IN 1985 AND THE LENGTHY PROCESS OF ITS RATIFICATION".

FURTHERMORE, WE CANNOT HELP BUT NOTICE THAT THE ORGANIZATION SEEMS NOW ALMOST PARALYZED INTO INACTIVITY BECAUSE ALL OF ITS MEMBERS EXCEPT TWO AS FAR AS I CURRENTLY KNOW - TINY DOMINICA AND TRINIDAD AND TOBAGO - HAVE FAILED TO MEET ALL OF THEIR FINANCIAL OBLIGATIONS TO THE ORGANIZATION AND MOST HAVE QUOTA PAYMENTS SUBSTANTIALLY IN ARREARS. ALTHOUGH A NUMBER OF

MEMBER NATIONS HAVE RESPONDED RECENTLY TO APPEALS BY THE SECRETARY GENERAL TO TRY TO RESOLVE THIS PROBLEM, TO MY MIND THIS CLEARLY INDICATES A VERY LOW PRIORITY BEING GIVEN TO THE ORGANIZATION BY ITS OWN MEMBERS. WE CANNOT BUT WONDER TO WHAT EXTENT THE MEMBER NATIONS FULLY BELIEVE IN AND SUPPORT THE ORGANIZATION WHICH THEY SO OFTEN URGE US TO JOIN. NEVERTHELESS, I CAN ASSURE YOU THAT THE GOVERNMENT OF CANADA WILL CONTINUE TO COOPERATE WITH AND TO SUPPORT THE ORGANIZATION TO THE FULLEST EXTENT POSSIBLE. WE ALSO HOPE THAT IT WILL ACHIEVE THAT REVITALIZATION THAT MANY OF ITS MEMBERS DESIRE TO MAKE IT MORE RELEVANT AND MEANINGFUL AS AN INSTRUMENT TO DEAL WITH IMPORTANT CHALLENGES AND PROBLEMS OF THIS HEMISPHERE. IN MY PERSONAL VIEW, SUCH A REVITALIZATION WOULD HAVE A HIGHLY POSITIVE IMPACT ON PUBLIC OPINION IN CANADA WITH IMPORTANT IMPLICATIONS FOR THE QUESTION OF EVENTUAL CANADIAN MEMBERSHIP.

MR. PRESIDENT OF THE COUNCIL, MR. SECRETARY GENERAL, MR. ASSISTANT SECRETARY GENERAL, DISTINGUISHED MEMBERS OF THE COUNCIL AND DISTINGUISHED OBSERVERS, I THANK YOU MOST SINCERELY FOR THIS OPPORTUNITY TO EXPLAIN TO YOU THE NATURE OF CANADA'S RELATIONS WITH THE ORGANIZATION AND WITH THE MEMBER COUNTRIES. I HOPE THAT MY REMARKS HAVE MADE IT CLEAR TO YOU THAT IT REMAINS THE POLICY OF THE GOVERNMENT OF CANADA TO DEVELOP ALL OF THESE

RELATIONSHIPS TO THE EXTENT POSSIBLE WITHIN LIMITS OF AVAILABLE RESOURCES. ON BEHALF OF MY GOVERNMENT, I EXTEND TO YOU MY FULL ASSURANCES THAT CANADA WILL MAINTAIN ITS POSITIVE INTEREST IN THE ORGANIZATION AND IN THE COUNTRIES OF THE REGION AND WILL DO EVERYTHING POSSIBLE TO ENHANCE AND DEVELOP THESE RELATIONSHIPS EVEN FURTHER. SPEAKING PERSONALLY, I LOOK FORWARD VERY MUCH TO WORKING WITH ALL OF YOU AND WITH OFFICIALS OF THE SECRETARIAT TOWARD THAT OBJECTIVE.

THANK YOU.

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STATEMENTS AND SPEECHES

Address by

the Right Honourable Brian Mulroney,
Prime Minister of Canada,
before the UN General Assembly



Canada

New York, United States

September 29, 1988

Let me first congratulate you on your election as President of the General Assembly. Your wisdom and experience will help make this a particularly productive session. It is an honour to be here today speaking to the General Assembly of the United Nations, the crucible of human hope for peace in a troubled world.

I believe we are on the brink of a new age where the differences that have divided us are becoming less important than the dangers we must face together. It is a new age where concrete acts which make our world more secure must -- and can -- be matched by tangible commitments to reduce poverty in the developing world and protect our common environment.

Mr. President, for two generations the world has lived in the shadow of nuclear war. But today we meet at a time of significant achievement in arms control.

The INF Agreement is an historic first step in arms reduction for which we owe a great debt of gratitude to the courage and the leadership of President Reagan of the United States and of General Secretary Gorbachev of the Soviet Union. They have built a foundation, and we can now expand upon it.

We can cut strategic weapons. We can limit the spread of nuclear weapons. We can limit nuclear testing, and every step in this direction takes us closer to a comprehensive test ban. We must redouble our efforts to reach a treaty banning chemical weapons.

In this respect, I welcome President Reagan's proposal for an early meeting of the signatories of the Geneva Protocol on the prohibition of chemical weapons. We must also control conventional weapons. Let us not forget that it is in conventional wars that people are still dying today. I encourage this Assembly to provoke and provide even more achievements in the field of disarmament.

Mr. President, we have also seen progress on regional security issues this past year, progress of which member nations could only have dreamed before.

In Afghanistan, the attempt to impose solutions by invasion and occupation has failed and the Soviet Union is withdrawing its forces. The United Nations remains heavily involved in the search for solutions. In the Gulf, no

country has been able to impose its will by force. Representatives of the United Nations, including 500 Canadians, now patrol in peace where hundreds of thousands recently died in combat.

Canada's role in these events is consistent with our tradition of more than four decades of peacekeeping, a role we have always willingly assumed. Canada has participated in every U.N. peacekeeping force since its foundation and we are proud that this contribution, costly and difficult though it has often been, has assisted in bringing stability to explosive regions of the world.

Today a significant portion of our armed forces are either involved in peacekeeping around the world, or training for further duty in the service of peace. The award today of the Nobel Peace Prize for Peacekeeping is a splendid tribute both to the Secretary-General of the United Nations and to those courageous men and women who patrol the world's danger spots in the pursuit of a durable peace.

But not everywhere do we see the progress we would wish. The vicious cycle of repression and violence is unbroken in South Africa. We all know the cause: the massive and institutionalized violation of human rights called apartheid. Internationally, pressure is increasing and is having an impact. The entire world finds apartheid repugnant: the whole world must now join forces to bring it to an end. Canada has taken strong measures on its own to rid our civilization of this unique evil, known as apartheid.

We are under no illusions about the effectiveness of our efforts alone and so we have actively pursued objectives in cooperation with other governments, especially in the Commonwealth and la Francophonie. From the outset, we have applied all the sanctions agreed within the Commonwealth; we will continue to do so. And we will seek to broaden their application, increase their effectiveness and encourage others to join in adopting and applying them.

Consistent with our policy of moving systematically and deliberately to increase pressure on South Africa, our government announced earlier this week specific new measures to tighten the ban on government contracts with South African companies and a further ban on high technology, together with initiatives designed to add practical support to peaceful

efforts to work against apartheid. Because of threats to major development projects in the Front Line States we intend to provide assistance, in concert with others, to preserve these development initiatives.

The movement in favour of human dignity is now irreversible. There can be no doubt that fundamental change will come to South Africa. The only questions are when and how and at what cost in human life.

We must make sure the answers are soon, and peacefully -- and that a framework is preserved that will give rise to a non-racial democratic South Africa. Only then will the children of Mandela know the gifts that freedom brings.

The problems of the Middle East have preoccupied this Assembly since the creation of the United Nations. Peaceful solutions have proved elusive, and in their absence, violence and extremism have increased. But that is an argument for redoubled effort, not for despair.

There is today growing support for a properly structured international conference based on Israel's right to exist and recognition of the rights of Palestinians. Canada believes that such a conference can provide a path toward dialogue and away from a situation that appears to promise little but further suffering.

Mr. President, some regional disputes continue to challenge our courage and imagination. But in just a short period of time, progress towards a more peaceful world has been dramatic and deeply encouraging.

Who would have predicted a year ago that today Soviet forces would be withdrawing from Afghanistan; that Vietnamese forces would begin withdrawing from Cambodia; that U.N. peacekeepers would be patrolling the Iran-Iraq border; that negotiations on Angola and on the Western Sahara would be starting to bear fruit; that the Secretary-General would be discussing the independence of Namibia with the South African government.

Those who have doubted both the value of multilateralism and the U.N. surely must be re-assessing their views today. The Secretary-General's recent report on the work of this Organization is a document which should inspire the deliberations of this Assembly.

In this dawning hope for peace, the path we should take is clear. It is towards conciliation and not

confrontation between East and West. It is towards cooperation and generosity, not recrimination and rigidity, in North-South relations. It is towards negotiation, not warfare, in regional disputes. It is towards implementation of the Universal Declaration of Human Rights, adopted forty years ago.

We must give hope to those who today find their rights to free expression silenced by gunfire. We must provide sustenance to the flame of liberty in all regions where fundamental rights are being abused. We must reinforce the role of the Security Council in the pursuit of peacemaking and peacekeeping around the world. It can be done, with the help of everyone in this Assembly.

Mr. President, for two generations the arms race, regional disputes and the threat of nuclear annihilation have been a central preoccupation of the United Nations, and so they will remain. But I believe we are at a point in history when we must devote significantly more political energy to problems other than security, problems just as important, but until now accorded a lower priority.

I want to speak specifically about the twin challenges of severe poverty and our endangered environment. I believe we will not have true security until these problems have been successfully resolved.

These issues were high on the agendas of three international summits Canada hosted this past year -- la Francophonie, the Commonwealth, and the Economic Summit. At these meetings, I found a growing conviction among national leaders that these problems can be tackled successfully, and before the end of this century. These problems command the same priority in the United Nations.

Poverty undermines security. It compromises equality. It denies hope. Today, it is estimated that at least one billion people live in absolute poverty. They are hungry. They are often sick. They are uneducated. They die young.

Alleviating poverty must be given a new priority on national and international agendas. We must work to achieve social justice for the poorest of our world, and economic growth which does not destroy the environment.

At Toronto, the leaders of the major industrialized countries renewed their commitment to work towards continued growth for the benefit of both industrialized and developing countries.

We are also working towards a trading system which is more open and more beneficial to all nations. It will be strengthened bilaterally, as in the Canada-U.S. Free Trade Agreement, the largest commercial agreement in the history of two-way trade.

It can also be strengthened regionally, as in ASEAN and in Europe, as it approaches 1992. And it must be strengthened through the GATT and multilateral talks such as the Uruguay Round of trade negotiations. Progress in these talks is essential at the GATT mid-term review to be held in Montreal this December.

Increased development assistance, especially to the poorest countries, is another imperative. Canada has just completed a review of its official development assistance policy. We have reset our bearings to improve the quality, and increase the quantity of the help we give, to recognize the special role of women in development, and to concentrate on the poorest people in the poorest countries.

That is why Canada has completely written off the ODA debts of a large number of countries. It is surely reasonable that loans given for development purposes, should not be allowed to become hindrances to that same development. None of this is altruism. North and South, rich and poor, have an equal stake in a world where wealth must be more equitably shared.

That is why our assistance program is now composed entirely of grants. We have affirmed that Canadian assistance will continue to increase to reach the target of 0.6% of GNP by 1995 and the desired 0.7% target by the year 2000, now less than 12 years away.

Perhaps I could best illustrate the importance we attach to the U.N. by pointing out that Canada is the fourth largest contributor to the U.N. system. Most of these contributions are directed at development assistance. But Canadians generally feel more can and should be done.

Africa is a special case. Canada has taken seriously its responsibilities under the U.N. Program of action for African Economic Recovery and Development (UNOAAERD). In 1936/87, Canada disbursed a total of almost one billion dollars in Africa, through all channels, multilateral, bilateral and non-governmental.

Nearly half of all our bilateral assistance will be directed to Africa over the next five years. But poverty in

Africa and elsewhere, cannot be ended solely through trade and help from developed countries. It will require sound national economic and development strategies. And the governments of the developing countries have a more direct responsibility to their own people to achieve progress.

Mr. President, I said we must devote the energies freed by greater security to two equally pressing problems. One is poverty. The other is the environment.

The world is facing an environmental crisis of unparalleled magnitude. Nature is sending us an urgent message that we ignore at our peril. The signs of this crisis are all around us -- shortages of timber, exhausted soil, desertification, depleted fish stocks, seals dying in the North Sea, beluga whales washing ashore in the St. Lawrence river. Some even maintain that we have reached a point where the survival of mankind is at risk.

Prime Minister Brundtland, Chairman of the World Commission on Environment and Development, has said that the threat to our environmental security is "second only to nuclear war". Having lessened the likelihood of global nuclear war we now face invasion by rising seas, polluted air, and encroaching deserts.

There is a growing awareness that the environment, the economy, and human health are inextricably linked. At the same time as we in the North suffer the effects of our industrial society's disregard for the environment, the South suffers from the environmental degradation engendered by poverty, by population growth, and by pressure for immediate economic development.

Destruction of the rainforest in Brazil, deforestation in Sub-Saharan Africa, or the pollution of drinking water in the sprawling cities of the developing world are the consequences of people in poverty seeking the means to survive. Without improved development opportunities, we cannot expect them to do other than search for such fuel, shelter and livelihood, as best as they can.

We must help them to protect these precious resources. We require a new era of economic growth, but we need growth that sustains and expands the resource capital of our planet, not growth that poisons the air we breathe and the water we drink.

An Aboriginal elder, speaking to a Canadian Government Commission, said it best: "we did not inherit the earth -- we only hold it in trust for our children".

Mr. President, in a world where rivers and winds cannot be contained by laws or borders, it is clear that domestic initiatives by themselves are inadequate. Canadians know this.

Our economy as well as our environment is damaged by acid rain. We have taken important internal measures to address the problem. We have urgently pressed our neighbor to follow suit and to conclude a treaty with us that will reduce the environmental damage from this blight by stated amounts within specific time frames.

But acid rain is not limited to one nation or one continent. It is an international problem, and it demands a viable international solution. The greenhouse effect, the deterioration of the ozone layer and the disposal of toxic wastes are cause for concern the world over. I am encouraged by the strong emphasis given to the environment by others in this year's debate. Strengthened international cooperation is essential, and the U.N. has a key role to play.

As with security issues, important action has been initiated:

- o the signature a year ago in Montreal of the protocol on the protection of the ozone layer is a landmark example of what nations working together can accomplish.

I urge all states which have not yet done so to sign and ratify the protocol without delay.

- o The increasingly urgent question of global warming and climate change received serious attention at the International Conference on the Changing Atmosphere in Toronto last June.

Our goal should be an International Framework Convention for the Protection of the Atmosphere by 1992.

We applaud the work of the United Nations Environment Program in developing a global convention on the trans-boundary movements of hazardous wastes. We hope it will be ready for signature next year.

Mr. President, this powerful momentum must be maintained and strengthened.

Other steps are needed.

Canada is supporting a feasibility study on a World Conservation Bank to work in concert with the World Bank. Canada is asking the World Bank, at its annual meeting in Berlin, to strengthen the integration of environmental concerns into the design and implementation of its projects.

Canada fully supports the holding of an environmental Summit at the Heads of Government level. Canada urges all corporations and international industrial and trade associations to develop, strengthen and vigorously apply environmental codes of conduct.

Obviously, wealthier nations have to offer more assistance and support to help developing countries achieve growth which does not destroy their environment. For that reason the Canadian International Development Agency makes environmental protection one of the criteria for its development projects.

I want to announce today that Canada will establish a Centre which will promote internationally the concept of environmentally sustainable development. This centre will be located in Winnipeg and will work closely with the United Nations Environment Program and other like-minded international institutions and organizations.

Canada strongly supports the call for a U.N. Conference on sustainable development in 1992.

The global challenges we face are great, but we are proving they can be met and resolved.

Mankind is not destined to destroy itself. War is not inevitable. Poverty can be alleviated. The environment can be preserved. Injustices can be made right.

Mr. President, the U.N. is not and never will be a perfect institution. But in the last few years the U.N. has proven that it can make needed reforms and emerge as a stronger and more effective body. We must continue to improve this irreplaceable organization. Our citizens will judge the U.N. not by its rhetoric but by its actions, and its practical successes.

An immunization program that saves children's lives in a developing nation is, in itself, an enduring monument to the profound value of this institution.

Because now as the international political climate improves, the U.N. can play the role intended in the Charter.

Lester Pearson, a great Canadian statesman who was present at the creation of this Organization, once observed that the United Nations is the "living symbol of our interdependence, and embodies that emerging sense of international community, going beyond nation and region, which alone can save us in this nuclear age".

Mr. President, the United Nations reflects the vision of our predecessors and the hope for our children.

The agenda before the United Nations is compelling, and the choices are clear: to manage the irresistible forces of change that swirl around us. To acknowledge the interdependence of our world and of the issues before us. To ensure a more peaceful, more prosperous, more humane world, a world in which the strong nations are just, the rich nations generous: A world in which all nations have legitimate hope for greater economic and social justice, understanding as we must that there is but one earth for us to preserve for our children.

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Sovereignty in an Interdependent World

Remarks by the
Right Honourable Joe Clark,
Secretary of State for External Affairs,
at Carleton University



Canada

Ottawa, Ont.

October 18, 1988

I would like to address the question of Canadian sovereignty, what it is, whether it is threatened, what the government is doing to defend and strengthen it. In particular, I want to talk about the North, where our sovereignty has been an issue.

Let me begin with a definition. Sovereignty is a concept of law. It is the legal condition necessary for the inclusion of particular lands and waters within the boundaries of a particular independent country. It is a matter of who is in charge.

Canada has no real problems with sovereignty over our land. All the land, including islands, that Canada claims is recognized internationally as Canadian. There are some questions of where borders run but that is a problem common to most nations, a problem of frontiers, not sovereignty.

But Canadian sovereignty has been questioned regarding some waters in our North. Canada views as internal the waters that lie between the islands of the Arctic archipelago, and between those islands and the mainland. Some of those waters are known as the Northwest Passage.

Throughout our mandate we have received much advice on how to defend and buttress sovereignty in the North. It has come from the Parliamentary Committee that we asked to review our foreign policy. It has come from Canadians from coast to coast, in letters, submissions and conversations. It has come in useful studies such as the one on The North and Canada's International Relations that was published earlier this year by the Canadian Institute for International Affairs. That is a piece of a work which I would recommend to anyone with an interest in our North. We thank these Parliamentarians and these citizens because much of that advice has been useful. Much of it has, in fact, been adopted.

Let me review what this government has done in the North and more specifically what we have done to reinforce our sovereignty in the North. The two issues are linked because the resolution of any competing claims will come in time through negotiations and international law. Our case will be reinforced by the steps we are taking to demonstrate Canadian activity, Canadian presence and Canadian control. Canada's claim will be judged by the actual things we have done to demonstrate use and control of our own North. There are six significant steps we have taken to strengthen Canada's sovereign claim to the lands and waters of our North.

-- On September 10, 1985, we drew straight baselines around our Arctic islands confirming that the waters between them, and between them and the mainland, are internal.

- On the same date we withdrew our reservation to allowing our claim to be tested, if we wish, before the International Court of Justice. We prefer a negotiated settlement but we have confidence that we would win if our position was argued in court.
- On January 11, 1988, George Shultz and I signed the Canada-United States Arctic Cooperation Agreement ensuring that from then on American icebreakers would require prior Canadian consent to enter waters we consider to be Canadian including the Northwest Passage.
- Last November the government awarded a contract in Vancouver to design a Polar 8 Icebreaker. It will be the largest in the world. It will be an important element in ensuring safe navigation in the North and Canadian control of that navigation.
- It is our North and we are providing the infrastructure necessary for the safe use of it: aids to navigation, ice reconnaissance, coordination of Northern activities, conservation, protection of the environment. We have created a new national park on Ellesmere Island; established two months ago the Canadian Polar Research Commission; and, separately, put in place an Arctic Marine Parks and Sanctuaries Commission.
- In defence of our independence and our sovereignty we are expanding airfields, upgrading radar systems, deploying sonar systems, increasing surveillance flights and holding more military exercises in the North. We are acquiring nuclear-propelled submarines for defence, surveillance and control of our Northern waters. While that is not the primary role of those submarines, it is an important one, because they alone can operate under ice.

The fact is we have done more to assert Canadian sovereignty in the North in four years than any other Canadian government. We will do more, as our means allow.

I mentioned our recent agreement with the U.S.A. on Arctic navigation in the waters of the Arctic Archipelago. The immediate background to that negotiation was the 1985 voyage of the U.S. icebreaker Polar Sea through the Northwest Passage.

We regard these waters as internal by virtue of historic title. They are covered by ice most of the year; they are part of a continuous landmass, they have never been used for international navigation, and they have long been used by native Canadians. The U.S., on the other hand, is concerned that if this passage is declared internal, then other countries may make similar claims regarding waters actually used for international navigation.

On January 11, 1988, I announced an agreement on Arctic cooperation that met Canada's goals. Neither side moved from its stated position on the principle of sovereignty, but the agreement is entirely consistent with our position on sovereignty. What that agreement accomplished is that, from then on, the U.S.A. would ask our permission for American icebreakers to use Arctic waters.

That means they cannot enter waters we claim without our prior consent. We have achieved control over U.S. icebreakers in our waters, and there can be no repetition of the Polar Sea incident. We gained a substantial increase in effective control, and that is a significant step forward.

Recognition of this new fact came just this month. An American Coast Guard icebreaker, the Polar Star - in fact, the sister ship of the Polar Sea - was attempting to sail around northwestern Alaska to return to its home port in Seattle. It could not do so because of impossible ice conditions in those waters.

As a result the American Government - in accordance with our new agreement - sought our consent to have that vessel transit the Northwest Passage to the Atlantic Ocean. After satisfying ourselves as to the ship's condition and after receiving an American undertaking on environmental liability for its journey, we gave our consent. That American ship, accompanied by a Canadian Coast Guard icebreaker and with a Canadian Coast Guard officer on board, is now en route to the more hospitable waters of the North Atlantic.

A further important step in asserting control over our Arctic waters has come through U.S. recognition that their commercial vessels are subject to the provisions of the Arctic Waters Pollution Prevention Act of 1970. That means that a U.S. commercial tanker like the Manhattan, which sailed through the Northwest Passage in 1970, is also now subject to Canadian control.

A country asserts its independence and sovereignty by being active internationally. Being engaged in the world is not to surrender sovereignty but to assert it. That is true about treaties on the ozone layer, or treaties about trade, or agreements about the movement of caribou or icebreakers. Agreements with Canada are a recognition by other countries of Canada's independence. This makes a foreign policy that protects and advances Canadian interests in the North especially important for this country. Here is what Canada has done:

- In the 1960s, we played a leading role in the formation of the International Permafrost Conference and our cooperation with Northern neighbours on science and technology is increasing;
- We have participated in numerous international efforts and agreements to protect the Arctic environment and its wildlife. Just over a year ago, we successfully negotiated an agreement with the United States designed to protect and safeguard the magnificent porcupine caribou herd that migrates through the Yukon and Alaska.
- In the 1980s, we supported the development of the Inuit Circumpolar Conference; Canada hosted the Inuit Youth Camp this year;
- In 1987, we opened an Honorary Consulate in Greenland, reflecting the growing relations between our Government and peoples;
- In 1987, I led a delegation of Canadians - from the federal government, the private sector and from the Territorial Governments of the North - to an historic seminar on Northern issues in Tromso, Norway where we and our Nordic neighbours discussed environmental, economic development, defence and cultural questions relating to our North. I hope we will be able to carry the Tromso process a step forward with a follow-up meeting in Canada next year.

The issue of circumpolar cooperation of course raises the question of our relations with our huge Northern neighbour across the Pole.

We are the only nation in the world that has as neighbours both superpowers. There are changes within the Soviet Union that require sensitive and careful Canadian attention. Some of them affect the wider world interest of the Soviet Union - we are, for example, encouraged that the Soviet Government now shows more interest in strengthening the United Nations system, and in resolving some regional conflicts. We continue to press the Soviet Union to respect its commitments under the Helsinki Final Act. In other specific areas, cooperation is increasing.

Our police and customs authorities collaborated in making a major seizure of illegal drugs. Canadian and Soviet space scientists have teamed with French and American colleagues to produce SARSAT - the space based satellite search and rescue system. We are developing a broader programme of Canadian-Soviet space cooperation. The USSR is one of our leading trading partners, and that trade is becoming more sophisticated, particularly in the oil and gas industry and in the provision of services. Overall, the potential for bilateral cooperation is enormous, and some of it affects the North especially. That's why we were particularly struck by some of the intriguing proposals made by General Secretary Gorbachev a year ago in a speech in Murmansk, and reiterated in Krasnoyarsk.

Mr. Gorbachev called for better cooperation on the environment, on resource development, on scientific cooperation and, for the first time, on multilateral cooperation. We are pleased with these positions because we have long worked towards such cooperation in the North.

In fact, his proposal for a meeting of Arctic scientists has been overtaken by events -- such a meeting has taken place earlier this year in Stockholm. Efforts to develop a framework for Arctic scientific cooperation which includes the Soviet Union are proceeding and we are having increasing success with that country in resource development.

Mr. Gorbachev called for cooperation among Arctic peoples. At that time the USSR had never allowed its Inuit to attend Inuit conferences, which led to some genuine skepticism about his call for cooperation. However, it is now my understanding that Soviet Inuit will attend the 1989 Inuit Circumpolar Conference. This is something Canada has long worked for, and we welcome this example of international glasnost.

Next month, a Canadian delegation will travel to Moscow for negotiations on an Arctic cooperation agreement. It is our hope that such an accord would provide for a broad range of exchanges in the scientific and environmental fields. We have also been encouraged by Mr. Gorbachev's publicly expressed concerns over air pollution in the Arctic. A concern which should open doors for multilateral discussions on the problem of Arctic haze - a subject of very real importance to us.

At Murmansk Mr. Gorbachev also made some security proposals, some new, some restatements of previous Soviet positions. They include: The creation of a nuclear-weapon free zone in Northwestern Europe; The limitation of military activity in certain waters; And the examination of a total ban on naval activity in mutually-agreed zones.

Secretary Gorbachev's northern security proposals have aroused considerable enthusiasm in some quarters. They have contributed to his portrayal as the man of peace, and Western leaders as obstacles to peace. Today I want to discuss the substance of his proposals and not their use as propaganda. But it is important, throughout this process, to judge what the Soviets are doing as well as what they are saying. What I am asking, in these cynical times, is that Westerners accord Mr. Gorbachev at least the same scepticism they apply to Western leaders who speak of peace.

Let me begin with some basic facts that come immediately to mind when the Soviet Union's northern security proposals are more carefully scrutinized.

The Soviet Union is the only Northern nation with an extensive and permanent deployment of nuclear weapons in the Arctic. In the North-western quadrant of the Soviet Union, the Kola Peninsula boasts a military arsenal that is enormous.

It includes about one quarter of the Soviet Union's strategic nuclear capacity -- its submarine launched missiles and strategic bombers. The Soviet Northern fleet, based there, includes 126 submarines, of which 90, incidentally, are nuclear-powered: 38 of those vessels carry in them 580 submarine launched ballistic missiles.

It also includes 12 cruisers, an aircraft carrier, 18 destroyers, 17 frigates and an array of smaller naval surface vessels.

Soviet land forces in the northwest Arctic region, more than 13 full divisions, would amount to two full armies when mobilized with a complement of 2,000 artillery pieces.

So any steps towards weapon reductions in the North would require a massive change in Soviet deployments, we would therefore be very interested in seeing the details of what Mr. Gorbachev proposes.

Even if the Soviet Union were to withdraw those armies, dismantle that fleet, reduce and destroy its ballistic missiles and bomber squadrons in the Arctic, that would not remove the threat to Canada. The simple fact is that the shortest distance between the Soviet Union and the United States is over the Arctic. This would be one axis of attack but it is not, of course, the only one given the threat from other Soviet bases, aircraft and naval forces. That threat can come from any direction -- on, over or beneath the waters, including those of the Arctic Ocean.

It is, therefore, a great myth to think that reducing armaments in the Arctic would make North America or even our own North safe. The threat to Western security is global. Reducing our Northern defences would do nothing to reduce the threat from global strategic weapons. On the contrary, in weakening deterrence it would be destabilizing. It would make the world less safe, not more.

The place to address the global problems of armaments is in the negotiations on arms control and disarmament under way in Geneva and Vienna. In the context of the Soviet-American Strategic Arms Reduction Talks, Canada has advocated the negotiation of effective limits on air- and sea-launched cruise missiles, weapons which could increasingly threaten us directly, as intercontinental missiles do now. We are pleased that at the Washington Summit there was agreement to tackle this problem. Our NATO Allies, including the Danes and Norwegians, agree fully that Arctic security cannot be dealt with in isolation. This is a NATO issue not a Northern issue, and we will stand fast with our Allies.

The other alternative some would advocate for Canada -- neutrality -- also deserves comment in this regard. Let me quote from the recent study by the Canadian Institute for International Affairs:

"Neutrality would be a hollow option, because we could not defend it, and doing nothing about our own defence would be incompatible with our self-respect and prejudicial to our sovereignty and security. Moreover, the only defence policy that makes sense in the nuclear age is the prevention of war through deterrence. Therefore it is in Canada's interest to cooperate with other members of NATO in the collective defence of Western Europe, the North Atlantic, and North America and in the protection of the U.S. nuclear deterrent force. The Arctic has a particular bearing on this latter role ..."

While our eastern and western sea boundaries in the Arctic are to be settled eventually with our neighbours, let me repeat then that Canada has only one major sovereignty challenge and that concerns Arctic waters. Step-by-step we are making significant progress in strengthening our claims to those waters. We are doing so by expanding Canada's control, presence, activity and international cooperation in the North.

Even taking this dispute into account, Canada is and will remain as free, independent and sovereign a country as any in the world. As such we enter those international agreements that are on balance advantageous and, as a sovereign nation, we can withdraw from them if we choose.

Living and working in the global village naturally involves obligations. That is true of the UN and NATO, of the GATT and the Free Trade Agreement, and it is true of agreements on pollution and a hundred other issues. That is what international order is all about. But the agreements we have signed and the organizations we have joined help preserve and enhance our security, our independence, our prosperity and our way of life. They may limit the freedom of unilateral action for all countries who sign them but they do not limit sovereignty.

Isolation has never been a Canadian option. Internationalism has long been a Canadian tradition. We will maintain that tradition. And we will protect and enhance Canadian sovereignty on your behalf.

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Speech by the
Right Honourable Joe Clark,
Secretary of State
for External Affairs,
at McMaster University



Canada

Hamilton, Ontario

October 31, 1988

Just over one month from now we will mark the first anniversary of a truly historic agreement. On December 6 of last year, General Secretary Mikhail Gorbachev and President Ronald Reagan signed the Intermediate Nuclear Forces Agreement. It was a landmark in modern times: for the first time ever it had been agreed that a whole class of nuclear weapons would be eliminated.

That was an achievement applauded by all Canadians. It demonstrated that East-West rivalry need not lead inexorably to catastrophe.

Next year we will commemorate another notable milestone: the 40th anniversary of the creation of the North Atlantic Treaty Organization. I mention this because it has everything to do with last December's success in eliminating a class of nuclear weapons.

Last year's agreement did not simply materialize from thin air. It was not a unilateral gesture of good will by a new leadership in the Soviet Union, anxious to demonstrate its new persona to the West. In fact, the genesis of the agreement began in the late 1970's, with a decision by the Soviets that was neither benign nor welcome.

I ask you to remember those times. The Soviet Union had just increased instability in Europe by deciding to deploy their SS-20s -- a new generation of intermediate range missiles -- weapons for which there were then no Western counterparts in Europe. NATO tried to persuade the Soviets not to deploy. But words didn't work; the Soviet missiles went in. So Canadian and other NATO Ministers took what is known as the "two track" decision -- one track deploying Western weapons in Europe; the other track inviting Moscow to negotiate a limit to such weapons on both sides.

The Soviet response was to stonewall the negotiations, and to try to arouse public opinion in the free societies of the West against the NATO decision. Their tactic depended heavily on mobilizing the peace movement in Western Europe against the NATO deployment.

Some of you will remember the rallies and the marches, accompanied by consistent Soviet diplomatic attempts to break the resolve and the unity of the West.

The Soviet Union won an enormous propaganda windfall from those deployment debates -- even though, as the figures in the INF Agreement now show us, the Soviet Union deployed four times as many warheads in Europe as the United States did.

But despite the propaganda pressures, Western governments stood firm; Euromissiles were installed; and the Soviet Union, unable to break the unity of the West, agreed to follow the second track of the NATO decision; which led to talks; which led, in turn, to last year's historic agreement. Negotiation was not the Soviet's first option. Their first option was to try to divide NATO. When division failed, they negotiated.

Other factors were, of course, important -- including obviously, the new openness and flexibility that both Mr. Gorbachev and Mr. Reagan now demonstrate. But had the "two track" decision failed, or had the peace movement prevailed, there would have been no compelling pressure on the Soviet Union to remove their own missiles.

Let me make a point that should be self-evident. Nuclear war would be terrible. Its prospect frightens children. It frightens adults. But one does not need nuclear weapons to wage terrible wars. Look at Iran-Iraq. Look at Cambodia. Look at the Crusades. The world can't wish away war. We can try to stop it when it occurs. We can send peacekeepers when there is a peace to keep. And we can work to prevent war - using tools that range from foreign aid to the threat of retaliation. In assessing the importance of NATO, it is worth noting Europe, which erupted into violence twice in the forty years before NATO was established, has known no war since that time. So the debate is not between war-mongers and peacekeepers. The debate is about the best way to keep peace and expand freedom.

History has taught us before that no one negotiates successfully from weakness. Certainly the Soviets understand strength. In the late 1970's, as Soviet missiles were deployed, the West learned that words alone don't work. Last year, Mr. Gorbachev and Mr. Reagan showed us what happens when the West remains strong and united.

The lesson for us was clear -- that progress requires both the will to negotiate, and the strength to be taken seriously. At the core of that strength was NATO.

NATO is an organization born in dark days. It was created just four years after the termination of the most awful conflict ever known to mankind. A shattered Europe was groping towards recovery, economically, socially, politically and emotionally.

The times in Europe then were both bleak and ominous: Soviet-instigated civil war in Greece; the Berlin blockade; the steady disappearance of fledgling democracy in Eastern Europe. It was against that stark backdrop that Canada, the United States and our Western European allies joined together to form this mutual self-defence arrangement. One of its principal European proponents, incidentally, had been a Labour government in Great Britain. NATO was not an American initiative: rather, its inspiration was far more Anglo-Canadian, its intent to ensure that history would not repeat itself after this great war through another American retreat into isolation.

Why did we join? Why did we stay? Why are we still there?

The answer to each question is the same. We are in NATO because a strong North Atlantic alliance serves the best interests of Canada. Obviously, the world has changed enormously since that western alliance was first put in place. But many of the conditions which led to the creation of NATO are the same today as they were in 1949. Europe is still divided between societies that are free and societies that are not. Canada is still vitally interested in protecting freedom, and advancing it, in Europe. The alliance across the Atlantic is still a powerful instrument to resist American instincts to isolation, and to encourage American cooperation with other free nations. So does it encourage cooperation within Europe, and cooperation by Europe with North America.

One thing that has changed is that the direct threat to Canada is more terrible now, with strategic missiles. We are in the path between the superpowers. Changing our policy does not change our geography and, since we can't wish missiles away, we owe it to our own safety to maintain institutions which control them, or which bring their numbers down.

I ask you to consider Canada's interests.

No other Western nation shares our unique geographic circumstances: a country huge in land mass but sparsely populated; exposure to three of the world's great oceans, to the west, the east, and in our Arctic north; sandwiched directly between the two great nuclear superpowers. To defend and protect that territory, all by ourselves, would involve an immense financial cost. To decline to defend or protect it would be to invite other nations to steadily erode Canadian sovereignty. Those are realities for this country, whose land mass is the second largest in the world.

But geography is not the paramount consideration. Freedom is.

Canadians have long enjoyed the benefits of a free and democratic society and institutions. Our commitment to those values has been demonstrated time and again.

Next week we will bear witness to the thousands of Canadian citizens who died in battle defending those ideals -- twice in Europe in this century, and again, on the other side of the globe, in the Korean War.

Our freedom, our prosperity, our values are best nourished in direct relation to their strength in the rest of the world. When they are advanced in the world at large, they are made safer here at home; when they are imperilled abroad, they are jeopardized here.

That view has been at the heart of Canadian foreign policy since it began. Our policy is the opposite of isolation. We are one of the most effective and consistent internationalists in the world. It is particularly ironic to hear the argument that to withdraw from an alliance is an act of Canadian nationalism. Because isolation is an American disease, not Canadian. One of the differences between the two societies in North America is that Canadians have always worked to build international cooperation, and Americans have been inclined more often to go it alone.

That is why Canada seeks to strengthen international organizations like the United Nations, the Commonwealth, La Francophonie, and our defence alliances. That is why Canadians work in the deserts of Africa, in the villages of Asia, in the schools and hospitals of Latin America and the Caribbean. That is why we have been consistently at the forefront of the movement to liberalize and expand the international trade in goods and services.

NATO is a case in point. At its inception, NATO was seen as the most effective means to provide Canada, and our allies in the United States and Western Europe, with the security that is the most basic pre-condition to wealth and freedom. We also had a particular interest in promoting the recovery of Western Europe.

Modern day Western Europe, with a population well over 300 million, is now the world's wealthiest region. That did not happen by accident.

Central to its recovery from the devastation of the Second World War has been NATO. Europe has become strong because, for the last four decades, it has enjoyed peace and political stability - the longest uninterrupted peace Europe has enjoyed in the twentieth century. Secure and at peace, Western Europe has prospered and grown. That security was assured through the collective assertion of western will through NATO.

Like most other cooperative arrangements in life, the maintenance of unity and resolve in NATO has not been effortless or without strain. We have had to face constant challenges to its integrity from within and outside the alliance.

At times the American commitment to the alliance has been questioned, or was thought to be wavering. Fatigue with its international commitments, or frustration with having to pay a large share of the cost, have, on occasion, tempted some Americans to shrug off the burdens of collective defence, to go it alone, to look out only for number one. Europe worries periodically about the strength of the American commitment. Often there are tensions, which Canada is well placed to resolve.

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Statement by Her Excellency
Ms. A. Raynell Andreychuk,
Ambassador of Canada
in the Third Committee of the
43rd Session of the
United Nations



Canada

New York, United States

November 23, 1988

Mr. Chairman,

One of the dominant political themes of the past year has been "reconciliation". Major conflicts are gradually being resolved. Some longstanding internal and international disputes are growing closer to settlement. Amid all of these hopeful signs there are opportunities for emphasizing the importance of greater respect for human rights, and the need for ensuring that respect for human rights will provide a sound foundation for longer-term national and international harmony. Nonetheless, we must not let more dynamic political situations blind us to glaring human rights inadequacies. The systematic denial of fundamental human rights in South Africa, an abhorrent situation on which we spoke at length under an earlier item some weeks ago, remains an affront to mankind.

The importance of reconciliation is nowhere more evident than in Central America, where a number of countries are in the midst of difficult transitions from unrepresentative, repressive regimes to administrations committed to the development and protection of human rights. Canada has welcomed this trend. In El Salvador the government of President Duarte rolled back significantly the level of violence and human rights violations from the early 1980s. It is of deep concern, therefore, that the protection of human rights in El Salvador over the last year has weakened, and that number of human rights abuses has increased markedly. This has been most clearly documented in the report of the Special Rapporteur, Prof. Pastor Ridruejo.

In Guatemala, while human rights violations have diminished significantly since the beginning of the decade, the level of political violence is still unacceptably high and may be worsening. The resurgence of death squads and disappearances is a matter of profound concern. The Esquipulas accord of last year, agreed to by all five Central American Presidents, was most historic; it sought not only peace but respect for human rights and democratic values. It is a commitment made by all of the leaders of Central America, and we urge them to honour this commitment to regional reconciliation with renewed vigour.

Reconciliation is also a central theme in progress towards a comprehensive peace between Iran and Iraq. And here the human rights dimension needs to be kept centrally in view. The Canadian government is deeply concerned by the overall treatment by the Iraqi authorities of the Kurdish minority in Iraq, and particularly by the reports of the use of chemical weapons against civilians. Canada repeatedly condemned the use of chemical weapons during the war between Iran and Iraq, and

these reports underline, in our view, the importance of concluding a peace which will help to establish an environment which encourages greater respect for human rights in Iraq.

In Iran, available information indicates that widespread human rights abuses continue. Of particular concern are reports of summary arrests, torture and large-scale arbitrary executions of political detainees. We have noted in recent months that the discriminatory campaign against members of the Baha'i faith appears to have subsided. We believe that this is a positive trend which merits continuation. While we are appreciative of efforts by the Special Rapporteur on Iran for his interim report, we believe that the Special Rapporteur must be allowed to visit Iran in order to judge firsthand the validity of various allegations, as well as to verify the official Iranian response regarding allegations of various human rights abuses.

The international community has also been heartened over the past year by developments relating to Afghanistan, which represent significant progress in the search for a resolution of the long-standing conflict. For the moment, however, the human rights situation remains grim. Although the number of political prisoners has fallen and prison conditions have improved, allegations of torture and ill-treatment of prisoners are still being received. We support the recommendation that the International Committee of the Red Cross be granted full access to prisons and prisoners. We have also noted the continuing problem of lethal mines and booby-trap bombs. Canada welcomes the efforts of the Office of the U.N. Coordinator for Afghanistan to develop a program to deal with this serious and widespread problem, which represents a significant obstacle to the return of Afghan refugees.

The hope of reconciliation was also evident in discussions between Turkey and Bulgaria, which resulted earlier this year in a protocol to resolve problems related to the Turkish minority in Bulgaria. It is hoped that this agreement will contribute to a resolution of the problem of religious and cultural discrimination by the Bulgarian authorities.

National reconciliation was the essential theme of the recent plebiscite in Chile, conducted under conditions which were sufficiently fair and equitable to produce credible results. The people of Chile have spoken in favour of the restoration of democracy. It is our hope that the progress of the past several months, which included a resolution of the problem of exiles, will continue, especially with respect to investigation of past cases of disappeared persons and the reported involvement of security authorities in cases of

torture and other violations of human rights. The report of the Special Rapporteur contains a number of observations which should be reflected in the resolution before this Committee. Resolutions which fail to do so can only undermine the efforts of this organization to promote human rights objectively.

✓ By contrast, prospects for a peaceful solution of the Arab/Israeli dispute continue to elude us. Quite apart from the legitimate political rights of the Palestinian people, the situation in the Israeli Occupied Territories presents serious human rights concerns. As we have stated previously, the Fourth Geneva Convention must be applied in the Occupied Territories. We believe that respect for human rights is an essential component of the peace process. Progress in this area is indispensable to building a climate of confidence for peace negotiations.

We stress the concept of reconciliation in these situations because so many conflicts originate, directly or indirectly, in human rights problems, or because divisive political conflicts have potentially disastrous consequences for respect for human rights. Some three months ago, for example, ethnic and tribal rivalries erupted in Burundi, resulting in at least some 5000 deaths and many more persons seeking refuge in neighbouring countries. We have been appreciative of the responses of international humanitarian organizations and neighbouring countries to this tragic conflict, which triggered another instance of the phenomenon called "mass exoduses". We would hope that the Burundian authorities would be responsive to U.N. initiatives designed to alleviate these concerns.

More than a decade ago, the United Nations began to recognize the significance of the theme of mass exoduses and to identify it as an issue of major importance. Recently, an early warning unit was established under the Secretary-General to come to grips with the political and humanitarian problems created by mass exoduses before they evolve into crisis proportions. The next phase is enhancing these good office functions, now that the essential priorities and information-gathering capacities have been established.

If the United Nations is to play an effective role in these and other situations, however, much work remains to be done to solidify its procedures. Earlier this year we drew attention to the problem of inconsistent fact-finding techniques and to the uneven reports on country situations. Some progress has been made in past years in gaining increased cooperation from governments. Iran alone is refusing to cooperate with special procedures.

Some steps have also been taken towards recognizing the need for strict objectivity of investigation and reporting, based on universally-recognized standards of human rights. But deficiencies remain. These problems were most recently discussed in the Commission on Human Rights earlier this year in determining action in the case of Cuba. Despite the Commission's departure from well-established practices, it is our expectation that the debate on human rights in Cuba can proceed in the Commission based on dispassionate examination of existing evidence.

A different problem, though equally serious, is the problem of timeliness. Effectiveness in many situations demands a rapid and timely response. Over the past six months, for example, several thousand persons have died in Burma, many because of attacks by Burmese authorities on peaceful demonstrators. The Burmese people expressed their strong desire for a return to democracy through massive and peaceful demonstrations which were met with violent suppression. Human rights abuses continue to be reported in Burma, and the army is reportedly continuing to carry out torture and summary executions. At the next session of the Commission, discussion should once again be initiated on ways of responding rapidly to such situations, perhaps by way of an inter-sessional role for the bureau. This is more than a procedural reform; it would be a significant advance towards greater effectiveness.

Canada has always been concerned with the selectivity inherent in much of the U.N.'s work in the area of human rights. There is a disparity of treatment between those few countries subject to special procedures and those whose human rights situations remain largely beyond examination. The Soviet Union, for example, has never figured prominently on the Commission agenda. Now, there are prospects of real change within the USSR itself. The government has repeatedly declared its intention of introducing major legal and constitutional changes. There has been a measure of progress in the treatment of religious and minority groups, the release of some political prisoners and greater tolerance of dissent and criticism. However, there continue to be political and religious prisoners. Large numbers of family reunification cases are outstanding. Many long-term refuseniks continue to be denied their right to leave their country. While developments in the Soviet Union and some other states of Eastern Europe are encouraging, some other countries in the area seem unable even to acknowledge many of the most basic rights enshrined in the Universal Declaration. A case in point is Romania, which has yet to resolve satisfactorily the case of Professor Dumitru Mazilu.

With respect to one major procedural difficulty which has been discussed at previous sessions of the Commission, my delegation believes that, in general terms, the mandates of special rapporteurs should be continued in all country-specific situations until there is a marked and recognized restoration of respect for human rights. We disagree with the idea of dropping special procedures at the first sign of political change. Political change, while important, is not always effective in ensuring that human rights are fully restored. Political change in Haiti was short-lived and disappointing, and the situation of human rights in that country remains highly disturbing.

To return to my opening theme Mr. Chairman, in any difficult political situation the process of "reconciliation" can never be truly concluded until the governments concerned are reconciled to fully respecting the rights and freedoms enshrined in the Universal Declaration of Human Rights.

Thank you, Mr. Chairman.


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Banning Chemical Weapons for all Times

Speech by
the Right Honourable Joe Clark,
Secretary of State for External Affairs,
to the Paris Conference

Canada

Paris, France

January 8, 1989

Mr. President, distinguished colleagues,

In April 1915, Canadian soldiers in Flanders were among the first to suffer the terror, pain and death inflicted by chemical weapons. Of those who recovered from exposure to poison gas, many suffered on for their remaining years. At least three generations of Canadians -- parents, the victims themselves, and their children -- became acutely aware of the cruel and horrible effects of the use of such weapons. It is a tragic part of Canada's national memory.

No wonder nations in the post-war years sought a treaty which would prevent any further use of such terrible weapons in warfare. The 1925 Geneva Protocol is not a perfect document. It represents a political and legal commitment. It is also a moral guideline. The problem with the protocol is that obligations have not been fulfilled. The protocol has been violated on more than one occasion: even more distressing is that these violations were not unanimously denounced throughout the world.

In that sense, the world has slipped back from the high purpose of this Protocol. This meeting is designed to reaffirm that purpose, and to help create a confidence and a resolve which our negotiators at Geneva can translate into practical progress on a Convention to ban the production and use of chemical weapons. That is a great challenge by itself, and Canada hopes that, at this Conference, we can concentrate our efforts on the business at hand - the issue of chemical weapons.

This Conference is testimony to the international judgement that chemical warfare is repugnant and it must be abolished. The obligations of the 1925 Geneva Protocol must be reaffirmed and upheld. All violations must be condemned. We commend President Reagan for having proposed a conference of this kind and President Mitterrand for his initiative in convening it so quickly.

Canada's goal is to have all nations ban all chemical weapons - to get rid of them everywhere and forever. We seek a comprehensive ban, that prohibits not only the use, but the production and stockpiling, of chemical weapons. That will not happen overnight. It will require a reliable means of verification, which will let us test each other's word and assess each other's practice. Great progress has been made in the negotiation of a global, comprehensive and verifiable ban. That work must be pursued urgently, in the Conference on Disarmament, and in bilateral discussions. But this extraordinary meeting can take concrete steps toward that goal.

Specifically, we can condemn the use of chemical weapons, and commit ourselves not to use them.

We can reaffirm the Geneva Protocol of 1925, and call on other States to adhere to it.

We can strengthen the capacity of the Secretary-General of the United Nations to investigate allegations of chemical weapons use.

As a party to the 1925 Geneva Protocol, Canada has accepted fully its obligations on chemical weapons use. Our policy is clear:

- Canada does not intend at any time to initiate the use of chemical weapons;
- Canada does not intend to develop, produce, acquire or stockpile such weapons, unless these weapons are used against the military forces or the civil population of Canada or its allies.

What does this mean?

- First, it means that Canada is applying its obligations under the Protocol to Parties and non-Parties alike.
- Second, we have adopted a firm policy of non-production to help achieve a comprehensive ban on chemical weapons.
- Third, Canada has already advised other nations of the destruction of the bulk, useable chemical warfare agents which it had stockpiled during the Second World War.

The 1925 Geneva Protocol also prohibits the use of biological methods of warfare. The Protocol was supplemented by the 1972 Biological and Toxin Weapons Convention which prohibits the development, production and stockpiling of biological and toxin weapons and requires their destruction. Canada moved

beyond its obligations under the 1925 Geneva Protocol well before the 1972 Biological and Toxin Weapons Convention. In 1970 Canada declared that it never has had -- and does not possess now -- any biological or toxin weapons and does not intend to develop, produce, acquire, stockpile or use such weapons at any time in the future. That remains Canada's policy and practice today.

Only two countries - the United States and the Soviet Union - have admitted that they produce and possess chemical weapons. Other countries which possess chemical weapons should adopt that spirit of openness.

Treaties are not only pieces of paper which, once signed, simply become historical reference points. They require constant attention and care. In this spirit Canada's Verification Research Programme has sought to develop ways to investigate allegations of the use of chemical weapons. We have made the results of our work available to other nations. In 1987 Canada, along with Norway, proposed an annex to the future Convention on procedures for verification of allegations of use of chemical weapons. As well, we have fully supported the measures taken by the United Nations Secretary-General to investigate past allegations.

The test of any arms control agreement is how well it is respected. The purpose is to increase everyone's security, and that will happen only if we all have confidence that others will honour the rules we honour. There is agreement here on the urgent need for a ban that works. There has been real progress at Geneva in negotiating a Convention. Now it is time to resolve the important outstanding issues.

Verification of a chemical weapons ban will be complex, expensive and intrusive. The price of a treaty, in human endeavour, in self-limitations on sovereignty and in resources will be substantial. But experience shows that the cost of failing will be far greater.

In the meantime, there is a need for national self-restraint. It is of great concern to my government that the spread of chemical weapons has continued and that they have again been used. We considered it a necessary and logical consequence of our policy on chemical weapons to ensure that Canadian industry not contribute, even inadvertently, to any use of chemical weapons. We hope others will do the same.

There is no doubt that there is a collective international desire for a comprehensive ban on chemical weapons. This is demonstrated each year at the United Nations General Assembly through a consensus resolution which Canada and Poland, among others, sponsor. This issue concerns not only 40 States negotiating a chemical weapons convention in the Conference on Disarmament, but also the world at large.

The Conference on Disarmament certainly derives strength from such a consensus, as it seeks to conclude a treaty of great complexity and unparalleled scope. Clearly, the speed with which today's Conference has been convened; and the international response to it are cause for optimism about the future.

Mr. President, the elimination of chemical weapons from the face of the earth is not merely a pragmatic necessity. More than a common sense assessment of our security interests is involved. The issue touches on our sense of ourselves as human beings. We know that, individually and collectively, we are susceptible to insecurities, fears and animosities. This is a reality. Surely, it is the responsibility of governments to seek to limit our capability to inflict abhorrent cruelties and punishments on each other. Chemical weapons use, inevitably involving civilian as well as military victims, only provoke revulsion. Chemical weapons must be banned. We owe our citizens no less. Let us get on with the task.

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STATEMENTS AND SPEECHES



East-West Relations: the Way Ahead

Speech by
the Right Honourable Joe Clark,
Secretary of State for External Affairs,
at the University of Calgary

Canada

Calgary, Alberta

January 13, 1989

Sometimes we use a phrase so often that it loses its sharp particular meaning. For example, what does it mean to have a closed society? What is a free society? Those are not abstract questions. They lie at the root of what distinguishes today's Western democracies from traditional Soviet society. They are at the heart of the curiosity and excitement about changes occurring in the Soviet Union, and the ripple of those changes around the world.

This week's news out of Moscow was about a conflict at a party meeting called to nominate a candidate. Disputes like this are commonplace in Canada but extraordinary and rare in the Soviet Union. Just as it was extraordinary and rare for the Soviet people to witness a no-holds-barred debate on every aspect of Soviet social, political and economic life at last spring's Party Conference. And even more extraordinary has been the unflinching determination with which Mr. Gorbachev and his colleagues have exposed one Stalinist atrocity after another to the glare of history.

Only five years ago, the détente of the 1970s was everywhere in ruins. Soviet troops were in Afghanistan. The Polish government, in order to avoid Soviet invasion, was repressing its own citizens. Soviet SS-20 missiles were being deployed against targets in Western Europe and Asia.

Today, the skies are a lot clearer. The Soviets are leaving Afghanistan, they are destroying their SS-20 missiles and last weekend in Paris they announced their decision to destroy chemical weapon stockpiles. Some of the worst excesses of Stalinist dictatorship are in retreat. As well the Soviets are taking a more constructive role in dampening regional tensions in some quarters.

Those are more than a change in policy. They seem to reflect a deep change in the attitude of a regime towards its people, and certainly they have set loose expectations and practices that would be very difficult to stop or reverse. Whatever the motive, or the momentum, the Soviet Union has moved from the worst features of a closed society in the direction of a more free and open system. Those are developments which Canada should welcome and encourage. But if "perestroika" is the refrain of today's Soviet Union, it is not the whole score.

I was especially struck by a recent comment made by Alexander Yakovlev, one of the senior Politburo members. Yakovlev, a close confidant and supporter of Gorbachev, is one of the intellectual forces behind the current reform programme in the USSR. He was for ten years Soviet Ambassador to Canada. He said that his observations of Canadian political and parliamentary life had convinced him that multiparty democracy and pluralism were not the sort of evolution he would ever want to see in his own country.

We must conclude from this that Soviet values and political culture will not converge with western values in the foreseeable future. While they talk of democracy and pluralism they also believe in a one-party state. While they seek to be more responsive to the will of the people, they do not intend to turn the reins of power over to them. And in any event, there is no warrant in Russian history, either before the Revolution or since, for the view that the Soviet Union will eventually evolve into a free society as we understand the term.

At the same time that we commend and encourage Mr. Gorbachev's reforms, we must remember the nature and the history of the Soviet system. Is it acceptable that while some religious groups enjoy greater freedom, others such as Ukrainian Catholics do not? Is not the freedom to worship an indivisible one? Would the practice of internal exile to a closed city be acceptable to any western democracy? Andrey Sakharov's exile to Gorky, with all its sad history of harassment by the KGB, remains very real for some Soviets. Can we forget the unprovoked and unjustified invasion of Afghanistan and the savage war which followed?

Nor should we forget that several European states which were Western historically and culturally for centuries are now under the control of regimes imposed and sustained by Soviet armies. Canadians know this full well. Many of our citizens can testify through bitter personal and family experience that the imposition of communist rule in Poland, Hungary, Czechoslovakia or the German Democratic Republic effectively suppressed traditional political, social and cultural values in these nations. And while some of these governments have introduced positive reforms, others seem impervious to glasnost and the winds of change.

In military terms, despite Mr. Gorbachev's very welcome initiatives to reduce the huge Soviet military machine, the West still must face formidable and ever-improving Soviet forces. Each year, the USSR spends somewhere between 15 and 20% of its GDP on defence.

So, as Canadians assess our own policy, as we pursue Canada's interests, including our desire for peace and our belief in freedom, we have to look at all the faces of the Soviet Union. Moreover - we have to remember our own geography and history. We are right next door to both the Superpowers, in the direct and inescapable path of any serious conflict. We are a symbol and defender of free societies, to the point that in this century, over 100,000 Canadians paid with their lives to oppose totalitarian ambitions in Europe. This latter point is one we must never forget. In Paris last Sunday, I began my speech to the Conference on Chemical Weapons with a reminder that Canadians were tragically among the first to suffer the painful illness and death caused by mustard gas attacks in the First World War.

One avenue which has been especially valuable for Canada in its pursuit of better East/West relations on a broad front is the Conference on Security and Cooperation in Europe (CSCE), whose basic document is the Helsinki Final Act of 1975. Over the years we have been active in all aspects of the CSCE process -- promoting military security; economic cooperation; human rights -- because we believe that these are interrelated in promoting East/West security and stability.

Canada played a leading role in the Vienna Follow-Up meeting of the CSCE, in progress since November, 1986 and now approaching its conclusion. We have done our part to promote substantial improvements by some countries in their record of compliance to the Helsinki Declaration. We have worked patiently and persistently with the 34 other CSCE participating governments to secure a range of new commitments which will make the Vienna Concluding Document a milestone in East/West relations.

The Conference is in its final stages -- indeed, its conclusion could be days or hours away, although there are still a few problems being worked out. Without going into greater detail, I expect that the Vienna Concluding Document will record major progress in all areas covered by the CSCE process.

It can constitute a solid foundation for further progress in the search for human rights, stability and security in Europe.

Especially welcome will be two new negotiations on conventional armed forces in Europe, and a separate ongoing conference - on the human dimension - to deal with human rights and related issues. The Concluding Document will contain substantial new commitments in human rights, including religious freedoms, freedom of movement, the right to promote and protect human rights, and the rights of minorities. As well it will bring a range of measures to reduce bureaucratic obstacles to emigration and travel, and freer information flows including telephone and postal communications.

On human rights, the progress made by the USSR has been impressive during the two years since the Vienna Meeting began. In 1986 Canada had 42 outstanding family reunification cases with the Soviet Union. By the end of 1988 these were reduced to 11, of which 7 are being settled. We are assured by the USSR that efforts are being made to resolve the remaining cases as quickly as possible. Emigration figures have increased dramatically: some 3,500 Jewish emigrants in December alone, most of them to Israel. In recent months many long-term refuseniks have been given exit permission. Hundreds of political prisoners have been released, including all the original Helsinki monitors, and there have been no new arrests or incarcerations under the explicitly religious and political articles of the criminal code. Jamming of Western radio by East European countries has ceased. There has been greater freedom of speech, minorities have been given greater scope for self-expression, and religious groups enjoy greater tolerance.

We are also encouraged by Mr. Gorbachev's pledge before the United Nations that this progress would continue, that reforms would be permanently reflected in legislation and practice, and that in coming years the Soviet Union would evolve into a society increasingly governed by the rule of law and respectful of the rights of all its citizens.

Overall, these developments have convinced us that the Moscow Meeting could contribute positively to further progress in human rights in the USSR and eastern Europe. If negotiations now underway with the Soviets are resolved, as we expect they would be, Canada would attend this meeting.

As in the past, the consultations we've had with a wide range of Canadian groups will be essential to the success of the Moscow, Paris and Copenhagen meetings of the Conference on the Human Dimension. Our delegation in Vienna was one of the strongest and this reflects, in no small part, the thoughtful and informative contributions we've received from across Canada. When the Vienna meeting is over, we'll have opportunities for assessing our progress and charting our course. The same public interest expressed through the widest possible consultations will help us make the most of these three meetings on the Human Dimension. We are determined that the Soviet Union meet the same standards of openness regarding the rights of the Canadian media and interest groups as has prevailed at the Vienna Meeting.

Negotiation - and we've done a lot of it in the last decade - has always been one side of the two-track strategy which has guided the policies of the Western alliance. The second part has been - and remains - a militarily credible deterrence against aggression and intimidation. One lesson which history has taught us on numerous occasions is that negotiation based on mutual respect for each other's strength often succeeds. Negotiation from weakness cannot.

Western solidarity has therefore both military and political elements. We must be prudent but imaginative. To that end we maintain a highly professional and active Embassy in Moscow; we are constantly assessing our relations with the Soviet Union to determine how our relations can best be expanded and enriched. But prudence suggests that we avoid euphoria regarding Soviet intentions and measure accomplishments not statements. Prudence demands that we examine each new Soviet proposal with a careful eye to see how it affects our own vital interests. Prudence requires that we in the West remain clear-headed about what our most cherished ideals of peace, political freedom and respect for human rights really mean. Prudence demands that we maintain a credible military and political defence of these values.

Canada, as an ally, must continue to honour its obligation to make a contribution to the defence of the West. This will require active participation in NATO forces. It will require that we support the viability of the American strategic deterrent which underpins NATO's security. For example, we cannot shirk our responsibility to permit the continued testing of air launched cruise missiles over Canada. These constitute an important part of that strategic deterrent, the part which assures that no attack could go unpunished.

Credible deterrence must go hand in hand with imagination at the negotiating table.

But there is no doubt that, in the last two years, the focus has turned to negotiation. That has already produced a treaty eliminating an entire category of nuclear weapons. The conference in Paris this week made progress towards an end to chemical weapons. There is a chance to move forward on human rights.

We may indeed be entering a new and more fluid era, where East/West differences are much less sharply etched. That would bring its own challenges, but would hold special opportunities for Canada, as a member of the Security Council, a strong and modern economy, and the immediate neighbour of both superpowers.

Thank you.

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STATEMENTS AND SPEECHES



Speech by

The Right Honourable Joe Clark,
Secretary of State for External Affairs,
on Conclusion of the Conference
on Security and Cooperation in Europe
Follow-up Meeting

Canada

Vienna, Austria

January 19, 1989

Mr. Chairman:

We are gathered here this week to conclude more than two years of successful negotiations on the whole range of interrelated subjects essential to security and cooperation in Europe.

When this Conference began, I said in my opening statement that our task would not be easy, and it has not been. The problems have at times seemed intractable; the language often bitter; the negotiations tense and at times frustrating. There has been the temptation to gloss over difficult issues, to hide real differences. But only by speaking frankly, by facing our differences directly, could we achieve the real changes our people have a right to expect.

Our world has changed since we began this negotiation, and generally changed for the better. For the first time in history, there is an agreement to abolish a whole class of nuclear weapons. The two superpowers have a better attitude towards one another and towards multilateral institutions like the United Nations. Some regional conflicts have been resolved or are on their way to resolution in the Middle East, in Africa and Asia. Soviet forces are withdrawing from Afghanistan and Mr. Gorbachev has offered unilateral force reductions in Eastern Europe. Our political environment has become more positive, more hopeful.

From the beginning of the Vienna Meeting, Canada raised the fundamental issue of compliance with CSCE commitments. Candidly, but factually and fairly, we called attention to shortcomings, because we were convinced that unless there were better compliance, or a demonstrated willingness to improve it, further promises were unlikely to be meaningful. Far from building a climate of confidence, they would have eroded it.

We firmly believed that this Conference should produce real progress on the whole range of issues covered by the Helsinki Final Act. Canada played an active role in all three Baskets in sponsoring and supporting measures that addressed the most serious issues. We pursued these goals patiently, constructively, and at times stubbornly. We were convinced that we would deserve to be judged harshly by future generations if we failed to make the most of the Vienna Meeting. That was a common purpose of the Canadian government and of the non-governmental organizations, here and at home, with whom we were able to work so constructively.

Incrementally, and by hard bargaining, the Vienna Concluding Document took shape. Subjects whose introduction into a CSCE forum would earlier have been denounced as "confrontational" or "interference in internal affairs" were considered openly and debated freely. We could begin to see that the opportunity open to us was even greater than we had thought, if we had the will and the patience to exploit it to its fullest extent.

Our efforts have now been rewarded with success. The Vienna Concluding Document is a welcome milestone in East/West relations and in the evolution of Europe. It reflects and builds on recent changes. It makes significant strides in all the areas covered by the Helsinki Final Act. Canada is proud to have played a role in formulating some of its key elements.

When the Vienna Meeting opened, we had just succeeded in the Stockholm Conference in establishing a set of confidence- and security-building measures that carried considerable political and military significance. But what we did not know then was how these measures would work in practice. Since 1986, we have seen gratifying progress in adherence to both the letter and the spirit of Stockholm. We now have the confidence to believe that we can further increase transparency and predictability in military affairs. We wholeheartedly support the establishment of negotiations on confidence- and security-building measures to build upon the work of the Stockholm Conference.

We now also have the confidence to embark on ambitious negotiations touching on conventional armed forces themselves. These negotiations will take place within the framework of the CSCE process, but will be autonomous -- a condition we regard as vitally necessary for their efficiency. They will not be easy. Success will depend at all stages on frankness and trust, which in turn depend, in some measure, on developments outside the arms control arena.

We wish these negotiations success. Canada will play its full role. We will be second to none in seeking imaginative solutions to complex problems.

I should not leave this subject without referring briefly to a negotiation which will conclude before the commencement of the new negotiation on conventional arms control. The Mutual and Balanced Force Reductions talks were a pioneering attempt to arrive at conventional arms control measures in a crucial area of Europe. Much of what has been learned from the successes and failures during the many years of these talks will prove useful in the new negotiations.

Other specific elements of this Concluding Document are very important to Canada. We have achieved firm commitments that will improve the conditions under which business people and entrepreneurs can perform their central role in economic cooperation. We have sharpened our commitment to promote contacts between business people and potential buyers and end users, and to publish useful, detailed, and up-to-date economic information and statistics. These measures will expand the economic dimension of our cooperation and growing

interdependence. The Conference on Economic Cooperation, with business people and experts participating, will be an important first step in this process.

We are particularly pleased with the agreement to promote direct contacts between scientists and institutions and to respect the human rights of scientists. In science, as elsewhere, it is free movement and contacts that contribute to the spread of knowledge and understanding.

We are encouraged that the importance of environmental protection has been recognized. In addition to specific commitments on air and water pollution, hazardous wastes, nuclear safety and other measures Canada supports, we welcome the essential message of this Document: the environment of Europe and the world is a common trust, in which people themselves have a critical stake and role. Governments must cooperate in its protection, but it is above all the commitment, dedication and sacrifice of aware and concerned citizens that will ensure ultimate success.

We think the progress on tourism is important. Eliminating minimum exchange requirements makes tourism more attractive, and easing contacts between tourists and the local population (including permitting them to stay in private homes) will offer greater human contact and understanding.

In the section on principles, we have adopted a firm statement on terrorism and have made a breakthrough in acceptance of the principle of third party involvement in the peaceful settlement of disputes.

In the field of human rights and humanitarian cooperation, our achievement at Vienna has been remarkable, especially when one looks back to the days of the Ottawa Meeting of Experts. Some of the accomplishments of special interest to Canada are:

- the commitment to respect the right of all citizens to associate together and participate actively in the promotion and protection of human rights and in monitoring their government's performance. We have undertaken not to discriminate against those who exercise these rights, and to ensure that remedies are available to those who claim that their human rights have been violated. We have recognized the role of non-governmental organizations and individuals in promoting human rights.

- the undertaking to ensure freedom of religion and to allow religious communities to have places of worship, institutional structures and funding, and to participate in public dialogue and to have contacts with believers elsewhere. We have recognized the right of anyone to give and receive religious education in the language of his choice, and to obtain, possess, and use religious publications and materials.
- the commitment to protect the human rights of national minorities, to promote their ethnic, cultural, and linguistic identities and their cultural expression, and to allow contacts with counterparts elsewhere.
- we have committed ourselves to ensuring that no one is subject to arbitrary arrest, detention and exile, to improving the treatment of prisoners, and to protecting individuals from abuses of psychiatric practices.
- we have undertaken to respect the right of people to move within and between countries, including an explicit statement of the right of an individual to leave any country, including one's own, and return to one's own country, subject only to exceptional restrictions.
- we have agreed to a range of measures to remove bureaucratic obstacles to family reunification and travel, to publish laws and allow appeals, to respect the wishes of applicants regarding how long they wish to travel and where they want to go, to remove restrictions on the movement of people, to eliminate the punishment of individuals who wish to travel simply because a relative may have breached exit control regulations, to implement tight, clear-cut time limits for decisions on travel, and to resolve outstanding cases within a very short time after the conclusion of the Vienna Meeting.
- we have acknowledged the qualitative difference between the right to leave and practical commitments regarding entry policy.

- we have taken a large step towards preventing State action against an individual wishing to exercise his right to leave through the arbitrary imposition of restrictions based on national security grounds. The Vienna Concluding Document also ensures that long-term refuseniks will have the time since they were last involved in national security work retroactively credited against any limit during which any restriction will be applied.
- we have undertaken to respect the privacy and integrity of postal and telephone communications, to allow people to listen to radio from outside the country, and to receive, publish, and disseminate information more freely. Scholars and teachers will be able to have more direct contacts and access to research materials.
- we have taken important new steps to protect the rights and improve the working condition of journalists, and provide for the freer flow of information and greater access to culture.

Built on this solid achievement in human rights and Basket III, and providing a mechanism for its protection and enforcement, is the Conference on the Human Dimension. We welcome the agreement of all participating States to respond to requests for information and to consult bilaterally on specific cases and situations. We look forward to the meetings in Paris, Copenhagen and Moscow where we can pursue the issues of compliance and of new measures to enhance our achievements, as well as to deal with unresolved cases and situations. This Conference and the ongoing mechanism will keep human rights, human contacts, and related humanitarian issues, central to the CSCE process, ensuring that they become a permanent part of the European political landscape.

A symbolic but important aspect of the Conference on the Human Dimension is that one of its meetings will be held in Moscow. It is a measure of the changes that have occurred in the Soviet Union during the Vienna meeting that this idea, initially received with skepticism by many participating states, should ultimately have been considered seriously and adopted. It is no secret that the record of compliance of the USSR with its human rights commitments was a subject of scrutiny and criticism by my country and others. It is also no secret that Canada was one of the last to be convinced that such a proposal could be considered. This was not a matter of politics or ideology. It was an issue of principle and practice -- one in which Canadians, including the many whose roots lie in Eastern Europe, have a direct and personal interest.

Two things should be clearly understood. First, by accepting the Moscow meeting, Canada has not signified that problems of human rights and human contacts in the Soviet Union no longer exist. On the contrary, much remains to be done. Indeed, the USSR has undertaken to continue its work over the next two years of making Soviet society more open, democratic, and governed by the rule of law. Reforms are to be securely institutionalised. We welcome these promised undertakings, and will look forward to their fulfillment.

The second point I want to emphasize is that, having discussed this matter with the Soviet Union, having examined all the facts and assessed its performance against criteria we know to be important to the Canadian people, we consented to the Moscow meeting not just as a compromise or as a political gesture. Our consent should be seen as an expression of hope, based on recent improvements, and of confidence that the future will bring even more.

We trust that when our delegations, and the hundreds of groups, individuals, and journalists that traditionally assemble for CSCE meetings, gather in Moscow in 1991, they will find an open and tolerant environment for frank exchange.

There are many, many more provisions on human rights and humanitarian cooperation in the Vienna Concluding Document which take account of the differing interests of our peoples. Canada considers all of them important. Together, they are a great achievement. In most cases they are clear and unequivocal. We recognize that there is still room for improvement, but what is in this Document will, if fully implemented by all participating States, lead to great changes in the lives of millions of people, and will have a real impact on European confidence and security. Let me illustrate by one example from our own experience.

On December 7, many communities in Armenia were struck by a devastating earthquake that killed outright some 25,000 people and injured thousands more. At one time, the Government of the Soviet Union and some other participating countries faced with a similar disaster might have said there was no problem, no help was needed. But this time it did not. From all over the world, offers of help came forward spontaneously, inspired by a natural human feeling of sympathy. The Canadian Government responded to the need for assistance.

But what was most remarkable to me was the response of the Canadian people. Those of Armenian descent rallied in fervent support of their ancestral homeland. Many ordinary Canadians, moved by nothing more than their fellow feeling with those in distress, donated money, clothes and supplies. In Ottawa, during the busy Christmas period, I saw volunteers

spending days collecting money. Some of the prejudices of decades fell like autumn leaves. The Red Cross and the Soviet Embassy received funds from thousands of Canadians. Giant Soviet transport planes landed in Montreal to pick up tons of supplies, supplementing deliveries to the Soviet Union by the Canadian Government. In the face of disaster, governments cooperated, and people came together.

Mr. Chairman, I do not think anything could better demonstrate what we have been saying for many years - that the ties between people, that grow naturally from common experience and humanity, are one of the keys to a peaceful world. When people know the truth, when they can have contact with each other, they will reach out across barriers, they will forge links far stronger than governments can ever build. When people are barred from travelling, from visiting with families, from having ordinary contacts, from worshipping freely, from speaking a language or practising a culture, their frustrations breed fear, resentment and instability. When arbitrarily imposed and artificial barriers are removed and people, ideas, and information can move without restraint, when freedom becomes a reality, then there will be no limit to the possibilities that will open before us.

Some participating States have learned that lesson in the past two years. But we must also remind ourselves where these changes have fallen short of expectations and commitments and of what remains to be done. Candour and openness have done much to achieve the success we now enjoy. This is not the moment to abandon them.

Not all participating States have made the same progress. Even in those participating States where reforms are being implemented, there remain pockets of resistance and all-too-frequent lapses into old ways. In some participating countries, minorities and religious believers continue to be harassed and persecuted, and attempts are made to deny them their rights, indeed their very existence, and to eradicate their cultural and religious identities. The human anguish caused by the forced separation of families due to the harsh restrictions on emigration continues in some countries.

In some countries, individuals are still being punished for exercising their right to know and act upon their rights, for criticizing their governments, and for conducting allegedly subversive activity. Indeed, one participating State has, at the very moment of the adoption of this forward-looking Concluding Document, trampled, in Prague, on both its old and its new commitments by taking violent action against groups engaged in the peaceful exercise of their human rights under the Helsinki Final Act and the Vienna Concluding Document.

Another participating State has, in the face of CSCE tradition and procedures, declared that, notwithstanding its action in giving consensus to the whole Concluding Document, it assumed no commitment to implement those provisions which it considered to be "inadequate". By taking this approach, the government of Romania seems to be attempting to treat the Vienna Concluding Document as a menu from which it would choose those items it would abide by and those it would ignore. This is clearly an untenable interpretation. Our CSCE commitments, arrived at by consensus, are indivisible. My Government, therefore, considers that all participating states must comply with all aspects of this Document, to which we have all given consensus.

The Governments of these participating States must in coming years decide whether they want to move forward in renewal and reform, or cling to policies and methods that are not only distasteful, but now demonstrably outmoded and counterproductive. Canada will continue to encourage change, to criticize shortcomings, to urge the breaking down of barriers. We have no desire to impose our system or beliefs on anyone, but we are convinced that Europe can be a stable and secure place only when all its people can enjoy freedom and personal dignity, and feel safe from the arbitrary exercise against them of the force of the state.

Before closing, I should like to pay special tribute to the Government of Austria for its exemplary hospitality, the standard of openness set at Vienna, and its determination to encourage progress at key moments during the Vienna Meeting. I join as well with my colleagues in expressing our heartfelt thanks for the tireless efforts of the Executive Secretary, Dr. Liedermann, and his efficient and courteous staff. Finally, I wish to acknowledge the crucial role of our colleagues from the Neutral and Non-Aligned participating states, who provided competent and dedicated co-ordinators, and undertook the difficult and delicate task of embodying our deliberations in draft Concluding Documents.

Mr. Chairman, the Vienna Follow-up Meeting has given us a new framework, new mechanisms, and new avenues for the building of security and cooperation in Europe on a broad front. It has launched a balanced, varied and useful program of follow-up activity with innovative meetings such as the London Information Forum and the Kraków Cultural Symposium. It has provided us with more accurate yardsticks by which we can measure compliance with CSCE commitments and encourage further change. The opportunities and challenges are indeed momentous. As an active and dedicated member of the CSCE community, Canada will be there to meet them.

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STATEMENTS AND SPEECHES



Speech by

The honourable Monique Landry,
minister for External Relations
and International Development,
on the Occasion of the
Annual Consultations with the
Non-governmental Organizations
Concerning Human Rights

Canada

Ottawa, Canada

January 23, 1989

Mr. Chairman, Ladies and Gentlemen:

Thank you, Mr. Chairman, for your kind introduction. I am pleased to again have the opportunity to address this Assembly, at these annual consultations in preparation for the 45th session of the United Nations Human Rights Commission.

Our meeting takes on added importance for us in the sense that after a four-year absence, Canada will again this year sit on the Human Rights Commission. In previous years we have played an active part in the Commission's work in an observer capacity, and have promoted a number of initiatives, but this year we will be able to play a leading role. We can submit resolutions and exercise a greater influence during the informal consultations. We will attend closed-door sessions of the Commission, in which the human rights situation in a number of countries is discussed. Thus more than ever, Canada will be in a position to pursue its active commitment to human rights.

Allow me to take this opportunity to reaffirm the importance ascribed by my government to the international promotion of human rights. This key element of our foreign policy reflects the abiding interest of the Canadian people in the protection of human rights, and rests on deeply-rooted national convictions. When we are confronted with flagrant violations, our short-term goal internationally is to work toward rapidly improving the conditions of those who are deprived of the full enjoyment of their human rights. In the longer term, on both the bilateral and the multilateral levels, Canada strives to promote the acceptance of international human rights standards and to ensure that states act in accordance with these standards. We have an enviable reputation in this area, proof of the sustained effort we have put forth over the years to defend the cause of human rights.

Canada has played an active and often crucial part in writing, codifying and applying the principles set forth in the various international instruments on human rights. This role was highlighted a month ago when the United Nations honoured a Canadian, Professor John Humphrey of McGill University, by awarding him the Human

Rights Prize for his remarkable contribution to the furtherance of human rights. Professor Humphrey, and other Canadians, have worked over the years to develop and codify solid principles in this area. Although it can be said that a good deal of the codifying at the United Nations has now been done, Canada intends to continue playing an active part in preparing new instruments for areas in which existing instruments do not provide sufficient guarantees, such as, for example, protection of the rights of children and of native peoples.

In the future, however, we plan to devote more and more attention to developing and improving mechanisms by which to apply and monitor international instruments used in connection with human rights. We are convinced that violations of human rights are more often a result of failure to comply with the existing international standards rather than of the absence of such standards. For this reason, Canada has begun to consult and to negotiate with other UN member states to consider changes in the financing of certain bodies in charge of seeing that the international instruments are applied. These bodies are often insufficiently funded, and their workload is sometimes too great for them to complete their mandate. This is why my government has acted in increasing the resources available for the Working Group on Disappeared Persons. In spite of many obstacles this group, which was formed on a Canadian initiative, has done a remarkable job of handling one of the most flagrant violations of human rights. Canada continues to encourage the efforts of this body, and I am pleased to mention the project prepared by Acadia University, with government assistance, to reinforce the Working Groups on Disappeared Persons. Through this program, Canada is reaffirming its support for an important United Nations mechanism.

Canada's interest in the orderly operation of committees monitoring the application of treaties is also seen in the value we place in our presence, in the person of Mr. Peter Burns, University of British Columbia, on the ten-member committee in charge of applying the Convention Against Torture.

Unfortunately, although we have international instruments on human rights and mechanisms to apply them, it must be acknowledged that human rights continue to be violated in many parts of the world. One need only mention some recent events to see the need for constant vigilance to ensure respect for human rights and for more

rapid and more effective international cooperation. Those here today who have some experience with the international system, and they are many, know that the process of putting effective mechanisms in place in this field is a slow one. However, Canada sees one of its priority objectives to be that of reinforcing these mechanisms, since we are convinced that respect for human rights can be guaranteed only by the combined effect of standards and pressure applied on an international scale. This is why we have paid special attention to the phenomenon of mass exoduses. We have continued our efforts to improve the provisions of the United Nations in respect to these cases. Just two weeks ago, the Canadian Ambassador to the UN made representations to the Secretariat to reinforce the early warning system, the purpose of which is to make rapid intervention possible when we are confronted with mass exoduses. We emphasized the need to increase our capacity to react rapidly in such crises.

Among the other priorities that we intend to pursue, I would like to mention the importance we ascribe to the World Information Campaign on Human Rights. We are aware of the key role played by dissemination of information activities in the overall success of human rights program. Wider dissemination of information will create an enhanced awareness of human right and their importance. Such awareness is essential if the enjoyment of human rights is to become a reality. Last December's ceremonies commemorating the 40th anniversary of the Universal Declaration of Human Rights was a new phase introduced with the affirmation of the need to envision human rights as a universal cultural reality, based on the dissemination of information and on education. Canada subscribes fully to this objective, and we have made constructive suggestions to carry out the information campaign. I am pleased that the success of the project will hinge in large measure on the contributions made by non-governmental organizations. This undertaking will surely be furthered by the complementary nature of our various roles.

Parallel to the activities of the World Information Campaign, Canada ascribes particular importance to the UN Voluntary Fund for Advisory Services in the human rights field. We believe that the Fund's main purpose is to provide technical assistance and support for the long-term projects most likely to promote greater respect for human rights in a tangible way. In order for these projects to succeed, there must be close

cooperation on projects supported by the fund between the government and the non-governmental organizations. Thus, when the mid-term plan for the Voluntary Fund is examined at the next session of the Human Rights Commission, Canada will draw attention to the need for refined coordination and resources sufficient to enhance the effectiveness of this important instrument in the promotion of human rights.

I have briefly outlined some of the guidelines we use internationally in promoting respect for human rights. Your presence in such numbers at these consultations will enable us, I am sure, to engage in some beneficial and useful interchange, since we are sharing information on something in which we have a common interest. On behalf of my government, I thank you for your support and cooperation, and I trust that the Canadian delegation soon to travel to Geneva will be enriched by their two days here.

Thank you very much.

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STATEMENTS AND SPEECHES

Speech by

The Right Honourable Joe Clark,
Secretary of State for External Affairs,
to the United Nations Association

Toronto, Ontario

January 30, 1989

Canada

Thank you very much.

I am honoured to have the opportunity to be with you and particularly with Archbishop Scott and to be part of a ceremony that does honour to you.

I was thinking on the way in tonight through Pearson International Airport that Lester Pearson must be wondering just what it was that people had in for him when they named things like that airport in his honour. I think he is substantially redeemed tonight by the medal that is offered not only in his name, but offered in acknowledgement of principles for which he stood and through him became identified with the country. Principles which were certainly embodied by Archbishop Scott.

I think the language of the Pearson Peace Medal is very appropriate. It reads that it is an award presented to "a Canadian who through voluntary and other efforts has personally most contributed to those causes for which Lester B. Pearson stood - aid to the developing world; mediating between those confronting one another with arms; succour to refugees and others in need; and peaceful change through world law and world organization."

Many of us have had the privilege of working with Archbishop Scott or have known him for some time. I first came to know him a quarter century ago. Our closest work, naturally, has been since he accepted the invitation of the Prime Minister to serve as the Canadian member on the Eminent Persons Group which went, at a time of very real tension and searching, into southern Africa on behalf of perhaps "the" organization which has the best auspices, the best chance of drawing people together in that very troubled subcontinent. They went in and looked for solutions and talked to people and emerged with a set of observations and recommendations that still in our judgment provide the best basis for a peaceful end to Apartheid in South Africa.

I think it is worth reviewing briefly the specifics of their recommendations because they do remain the best basis for an agreement. The Eminent Persons Group called on the South African government to:

- (a) declare that the system of Apartheid will be dismantled and specific and meaningful action taken in fulfilment of that intent;
- (b) terminate the existing state of emergency;
- (c) release immediately and unconditionally Nelson Mandela and all others imprisoned and detained for their opposition to Apartheid;

- (d) establish political freedom and specifically lift the existing ban on the African National Congress and other political parties.
- (e) initiate, in the context of suspension of violence on all sides, a process of dialogue across lines of colour, politics and religion, with a view to establishing a non-racial and representative government.

Words are often important. The words in that final formulation initiate in a context of suspension of violence on all sides a process of dialogue. It has proven to be among the stubborn and highly elusive elements of progress in southern Africa.

There is a professed agreement on the part of the South African Government and indeed representatives of the African National Congress that dialogue would be helpful. There is still sharp disagreement as to what exactly is involved in the implementation of the phrase of suspension of violence on all sides and how that would be accomplished and who would take the leadership.

But it is a formula, a negotiating concept that remains the best we have. It would not have occurred had the Commonwealth not taken the initiative that it did and that initiative would not have born fruit had we not had available to us people of the quality, the wisdom, the judgment, and the tolerance, if I may, including a determination to look beyond the rhetoric and the antagonisms of the moment, of Archbishop Ted Scott.

Since his participation in that effort, with energy perhaps peculiar to the clergy, Archbishop Scott has invested himself heavily not only in raising Canadian consciousness on the issue of Apartheid, but in galvanizing opinion and in raising money. He had to raise money from the public since the Government of Canada was such a skin flint in some of these areas.

His focus today is not simply on ending Apartheid but on the other enormous and absolutely critical task of helping to build the society that will emerge after Apartheid in southern Africa so that all of its members can share fully in the opportunities which the future will bring.

I am very honoured to be here tonight with Archbishop Scott. I am also pleased and I don't want to miss the opportunity to say a few words to the United Nations Association about the United Nations and about your association.

It goes without saying that the UN is important. I think it is important to say, as Archbishop Scott did, that so is this Association. One of the lessons that I have learned in the conduct of foreign policy is that it is easier to take initiatives and to carry them out if you have public support. Very often that public support for institutions or for initiatives comes more easily from people other than a government who operate at some arm's length from a government.

I think that the work that you have ahead of you is immensely important because it is related directly to our capacity to take advantage of the opportunities that are open to us in the United Nations.

As we all know, Canada was elected three months ago to the Security Council for a two year term that began this month. We won on the first ballot. We won against strong competition. We won with 80% of the votes cast by member states.

That can be a source of pride, and it is. But I think what is more important is that it is an indication both of the esteem in which Canada is held throughout the world and it is a very sharp reminder of what is expected of Canada by other member countries of the United Nations including some of the nations that have been its most strenuous supporters.

I don't need to recite particularly here Canada's contribution to the United Nations. It goes back to the earliest days of the institution, to its creation in San Francisco.

Canadians have been involved in the brightest and the darkest days of the United Nations since its beginning. Mr. Pearson, General Burns, Dr. Chisholm, John Humphrey, Maurice Strong, Therese Paquet-Sévigny - they are but a few of the Canadians who have distinguished themselves and their country through their dedicated service in the U.N. family of agencies.

Peacekeeping, of course, has been a special Canadian vocation. I was out on the west coast between the months of September and November this year and after one of my meetings a chap came up to me who was one of the 80,000 who had served in the blue berets of the United Nations. He was not a person whose name or visage would be known on national television, but a person who had nonetheless contributed as directly and in ways perhaps more importantly than any of us in this room because he had not only served in peacekeeping forces, but he understood why Canada was there, what the peacekeeping concept was about and sought to gain understanding for that in his community.

As we speak here tonight Canadian military and civilian personnel can be found in U.N. sponsored peacekeeping operations around the world. I expect that Canadian Forces' personnel will join the U.N. force that will soon go to Namibia as that country at long last becomes independent. We will surely be called on in the future to continue what we have done so effectively in the past.

Support for the United Nations has not always been automatic or easy. Just a few years ago the UN seemed to be in disarray if not in full retreat. It appeared unable to contribute to resolving regional disputes or to contribute to the resolution of the problem of excess armaments. It had failed to promote a North/South dialogue. Several areas of the U.N. family - notably UNESCO, the Food and Agriculture Organization and indeed the Secretariat generally - were becoming increasingly ineffective. A budgetary crisis loomed.

The problems in the UN at that time, not long ago, were stark: so too was the response of some countries stark. The UK and the U.S.A. withdrew from UNESCO. The American Congress, displeased by the UN's inefficiencies and by its perceived anti-Americanism, voted to hold back American payments to the UN. We too were unhappy and we too could have left but we did not, believing instead that reform from within was possible.

We have pursued our reform agenda on four tracks:

First, to address the UN's budgetary crisis, we devised a comprehensive set of budgetary systems and procedures to improve budgetary and financial practices that promise the UN greater financial stability and monetary effectiveness.

Second, through our membership in the Committee for Programme and Co-ordination we have pressed for the adoption of new priority-setting and decision-making processes.

Third, we are instrumental in having ECOSOC take on a full review of UN activity in the social and economic areas, a review designed to result in more simplified and rationalized operations.

Finally, we have taken the lead in the specialized agencies such as UNESCO and the FAO to improve programs, to control expenditures and to set new and effective direction to their activities.

One of the clichés about the United Nations is that, if it did not exist, we would have to create it. Let me suggest a variant to that cliché: If the present climate in world affairs didn't exist, the friends of the United Nations would want to create that climate. Because there are great opportunities now for the United Nations to prove its worth to skeptics, and opportunities to change permanently some of the national habits that have exacerbated conflict before.

Some of the regional conflicts in the world that, not long ago, appeared insoluble are now moving towards solution. That is immensely important in itself but it also allows the UN process to demonstrate its capacity to solve practical problems.

It is one thing to celebrate the idea of international co-operation; it is vastly more persuasive to see that idea actually working. The more the UN is seen to work, the stronger it becomes, and the greater the likelihood that nations would use its auspices to solve international problems.

Opportunities like this don't arise often. They exist today primarily because of a new and more conciliatory relationship the two superpowers have adopted. We, Canadians, have to encourage the superpowers to continue on that more conciliatory course, and we can have some real influence on each of the superpowers. But we must also work to ensure that the UN does not miss this unusual opportunity to prove its worth.

I want to note that it is particularly gratifying that both the Soviet Union and the United States are placing greater weight on the United Nations. The Soviet Union has come to play a more constructive and cooperative role on the Security Council, and is now paying its arrears to the Organization. It has also put forward a number of ideas on how to reform the U.N., and to improve some of its activities like peacekeeping.

For its part the USA appears to be taking a timely and fresh look at multilateralism, generally, and at the United Nations particularly. Last fall President Reagan promised payment of past and current American dues. And now the U.S. is working with the USSR on resolving a number of regional conflicts where the U.N. is involved.

It was not so long ago, and it is worth remembering, that President Bush represented his country as Ambassador to the United Nations. He understands the Organization and its aims, even as he has had first hand experience with some of its shortcomings. We must hope that the Administration will continue to reverse the years of U.S. antipathy toward the United Nations Organization, and seek creatively to use it for the purposes intended by its founders.

It is in these circumstances of a different attitude towards one another and towards the international responsibilities of the superpowers and of a period of really unusual opportunity for the United Nations as an organization, that Canada finds itself once more on the Security Council.

I do not know what issues will arise next week, next month or next summer. That's part of the fun of being there. I am told that a student once defined history as being "one damned thing after another". And that is certainly what it's like being on the Security Council.

And if I did know what issues were coming up I could not, with any degree of precision, tell you how we would react. That will depend on a multitude of factors - the issue, its timing, its connection to other issues, and the crucial question of what is finally possible.

That question - what is possible - does not unfortunately, always conform to what is desirable. We will face the choice of working and voting for imperfect compromises that have some chance of success as opposed to speaking and voting for resolutions that sound great but cannot be applied. This Government has no illusions but that some of our positions in the Security Council will from time to time displease some segments of the Canadian public.

We knew that when we sought election to that Council. We understand it now. We believe that is no excuse to shirk from our responsibility to the world community. I can promise you that Canada brings to its Council Chair objectivity and imagination. I can promise you that we are working closely with others on the Council to contribute to finding solutions. We will continue to search for ways to improve the mechanisms of the U.N., especially in the area of peacekeeping.

We will also continue to use our position and our credentials to hammer out the compromises that are so often needed to arrive at agreement. In the course of this month - our first on the Council - we have been actively engaged in promoting agreement over the size of the UN force to be put into place in Namibia. In so doing we have been able to serve as a kind of intermediary between those wanting to cut costs of the operation and those who have wanted to adhere to plans crafted a decade ago under very different circumstances. Our own position is quite simple - the UN operation in Namibia must be equal to the task at hand, no more and no less.

We have been able, following that principle, and using the good offices that have accumulated to Canada, to play a constructive role in the decision not as to whether the United Nations should be active which is one thing, but just how the United Nations can be effective which is in many cases a more challenging task.

More generally anyone searching for the principles that will guide Canada's conduct on the Security Council need only to look to the history of our involvement in the U.N. and in the world community over the last half century.

We have fought when necessary to preserve the independence of nations.

We have surrendered sovereignty when necessary to join with other countries in working for world peace, global prosperity, a sound environment and human rights.

For example, when you establish a treaty on the ozone layer you are involved to some degree in surrendering sovereignty as we classically and narrowly define it. That part of the nature of what we try to do effectively internationally which is inherently part of the nature of who we are at home has to do with finding creative ways in which countries collectively are prepared to sacrifice some of their sovereignty in the interests of a more effective order.

We have contributed ceaselessly as a country to peacemaking, to peacekeeping and to the attack on the socio-economic conditions that breed war and instability.

We have contributed to arms control since the days when Canada was the first country with the capacity to make nuclear weapons to renounce all intention of doing so.

We have contributed to international development and reconstruction since World War II and have sought to make our assistance effective and impartial, targeted on those who needed it most.

We have reached out to our partners in the Commonwealth and La Francophonie to bolster their role on the world stage and to make common cause with them on issues such as Apartheid.

We have worked ceaselessly to make the U.N. an effective instrument for pursuing the lofty goals which remain the dream of mankind.

And we have been able to balance conflicting pressures from alliance partners and countries and communities around the world to the satisfaction of the great majority of members of the world community.

That is no mean feat. That is why we were elected to the Security Council. Those are the principles that will guide us when we face the "one damned thing after another" that makes up the daily diet of U.N. activities.

It has been a great privilege to have the opportunity to be with you and particularly to be part of a presentation honouring Archbishop Scott.

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STATEMENTS AND SPEECHES



Speech by

The Right Honourable Joe Clark,
Secretary of State for External Affairs,
at the Opening of the Third Meeting
of the Commonwealth Committee
of Foreign Ministers on Southern Africa

Harare, Zimbabwe

February 6, 1989

Canada

Mr. President,

Secretary-General,

Colleagues and Distinguished Guests.

Thank you President Mugabe. It is a pleasure and an honour to share the floor with such a distinguished opponent of apartheid, at the opening of this third Commonwealth Foreign Ministers' Meeting.

I would like to thank you, your Foreign Minister and the people of Zimbabwe for such gracious hospitality. I am very pleased that Harare is the site for this meeting. There are few places, more appropriate, to deliberate on the means to end apartheid or to consider the nature and the cost of South Africa's destabilization. The issue of destabilization is a focus of this meeting.

Much has happened since we last met in Toronto, some positive developments, some negative. The stark fact remains that none of the more positive developments reveals any change in South Africa's commitment to apartheid, and some of the negative developments, such as the outcome of the Delmas trial, raise serious new threats to the internal non-violent opposition to apartheid.

However, we may well be entering one of those periods which historians later will say was "seminal" in South African history. I say this, not in the expectation that Pretoria has seen any writing on the wall, but in the knowledge that the inevitability of fundamental change cannot be shut out of the minds of the white minority for very much longer, despite the powerful communication tools at the sole disposal of the regime. And despite the powerful tools of repression used by Pretoria, the movement for democracy in South Africa cannot be silenced; it can only be forced to become more creative in mobilizing people to express peaceful but resolute opposition to apartheid.

It is important to focus on South Africa's efforts to destabilize its neighbours. That happens every day, and should not be obscured by welcome developments elsewhere. There is hopeful progress in Namibia, although that change has only just begun, and will require care and vigilance at every step. It is essential to secure conditions which allow genuinely free and fair elections.

Speaking for my own country, Canada is prepared to do our part in the major international effort that is required in Namibia. Our goal is not only to guarantee free and fair election of a truly representative government, but also to help the people of Namibia meet their post-independence development needs. If we take care, an independent Namibia can mark an important step forward in Southern Africa. But there should be no illusion. That step has not yet been taken. And an independent Namibia does not mean the end of apartheid, nor the end of South Africa's attempts to disrupt its neighbours.

Zimbabwe has suffered both directly from South African aggression and just as significantly from South African pressure and interference. So have the other states of the frontline. There is no reason for anyone to assume that South Africa's intentions have changed. Destabilization is a long-term process. It waxes. It wanes. It turns from one target to others. But we have to work on the assumption that it will not disappear until the system of apartheid itself is dismantled.

Yesterday, Mr. President, your Foreign Minister took me to see buildings bombed here in Harare. Earlier I visited a Zimbabwe company plant that used to import Canadian sulphur by way of Maputo, but had to change that route, because destabilization made the line no longer safe. Eighteen months ago, in Mozambique, I spoke with a Canadian doctor who had been working in a rural clinic, built to help people, which had become a target of terrorists. The destruction is one thing. The atmosphere of uncertainty, of not knowing who will be the next target, is equally destabilizing.

We will be looking at a detailed report of destabilization practices and the consequential costs incurred by the Front Line States. General Obasanjo's earlier Commonwealth-initiated report on the security needs of the Front Line States provided a very useful set of recommendations. We will be examining here how we, as Commonwealth countries, can help enhance security in this region. Many countries make substantial contributions to that process now. In September Canada announced changes in our policy which help the Front Line States, in particular Mozambique, try to cope with security threats.

It is tragic to ponder the staggering costs of apartheid and its poisonous partner of destabilization. That cost - both human and economic - is enormous. The whole of Southern Africa is full of potential. It could truly be the economic powerhouse of the entire continent. But instead of building on that potential, the white minority in South Africa allows policies that hold back the whole region, that cripple the powerhouse.

The world is looking for ways to bring supporters of apartheid to their senses. Our Committee, I believe, will continue to make a valuable contribution in the use of sanctions as pressure for change.

Here, at Harare, we will examine closely means to strengthen the United Nations arms embargo, an important United Nations sanction.

The report at Toronto on South Africa's relationship with the international financial system clearly indicated the effectiveness of financial sanctions in terms of pressure on the country's economy, which we believe can also translate into pressure for political change. In Harare, we will want to find ways of encouraging the wider adoption of the constructive recommendations agreed to at Toronto.

We will also be receiving a progress report on the experts' study on the impact of sanctions. Based on their interim report, we have already been able to make a number of specific suggestions to widen, tighten and intensify sanctions. We must be diligent in encouraging their adoption by Commonwealth members and South Africa's major trading partners. For our part, Canada has taken a number of steps since Toronto to tighten the application of our sanctions, including, for example, extending the ban on sales of high technology items to private sector end-users in South Africa. We will continue to look for effective ways to build pressure for change.

We will also seek new means to reach into South Africa and assist victims and opponents of apartheid, promote dialogue among South Africans and counter South African propaganda and censorship. Those struggling to cope with inadequate education, housing, working conditions and other day-to-day problems resulting from apartheid, deserve our support, both financial and psychological. So do those whose active, non-violent opposition to apartheid has landed them in detention. So do South African labour leaders, who are fighting to preserve what union rights they have won at much cost. Commonwealth countries must continue to provide that support.

An essential prerequisite of peaceful change in South Africa is meaningful dialogue among South Africans of all races. Just last week, lawyers from South Africa, and leaders of the ANC, met here in Harare. There must be more contact of that kind, and this Committee might help.

At the meeting in Toronto our focus was on the use of censorship in South Africa. The Commonwealth working party on this issue has now met and set assistance to the alternative press as a priority. In Canada, we have also gone a long way towards implementing the action plan on countering South African propaganda and censorship, announced at our last meeting. I am pleased that other countries are also developing national action plans.

At this meeting we will have an opportunity to hear views on the latest developments in South Africa by active opponents of apartheid. They will have much to tell us. Since Toronto, the state of emergency has continued to be used to detain without trial non-violent opponents of apartheid, about 1500 to 2000 at present, about ten percent of whom are known to be under 18 years old. Equally debilitating for the opposition is the increasing use of restriction orders which amount to a form of self-policing house arrest.

During this period the Government of South Africa continued to advance proposals for so-called "power-sharing" which are utterly unacceptable to the South African majority. In the October 26 municipal elections, the overwhelming majority of blacks were disenfranchised and most of the rest simply stayed away. That experience left no doubt that black South Africans will not be told who their real leaders are. Only genuine leaders can negotiate on behalf of their people.

The system of apartheid remains fundamentally unchanged. And while the political situation appears more uncertain than it has been for some time, there is simply no evidence to suggest that the white South Africans supporting the Government have yet accepted the reality that they cannot continue to deny the most fundamental rights to the majority of their countrymen.

So the international community must continue to put pressure on Pretoria through sanctions and other means. It must also encourage where possible efforts aimed at convincing supporters of apartheid that there is a better way, a more just way than adherence to an immoral and debilitating system of racial discrimination.

Here at Harare the Committee has reached the mid-point of our work. We will be focussing more than ever on the run-up to the Commonwealth Heads of Government Meeting in Kuala Lumpur. We have helped keep the issue before the public and have set in train several initiatives. There is much to be done and we are looking forward to our exchanges over the next three days to move the process forward substantially on a wide range of issues.

We will be looking at ways to help the people of Southern Africa achieve their true potential, a potential that has for too long been stymied by racial discrimination and repression in South Africa and destabilization of the rest of the region. A continuation of the status quo can only lead to greater misery and violence. Peaceful but fundamental change in South Africa will unleash a tremendous potential for good. It is a challenge and an opportunity that must be grasped.

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Speech by

The Honourable Mary Collins,
Associate Minister of National Defence,
to the Meeting of Foreign Ministers
to Mark the Opening of New Negotiations
on Conventional Arms Control in Europe

Canada

Vienna, Austria

March 7, 1989

Mr. Chairman,

It is a great honour for me to be here to speak for the Government of Canada at this land-mark meeting. I know that Canada's Secretary of State for External Affairs, the Right Honourable Joe Clark, regrettably unable to be here today, would have appreciated as much as I do the gracious hospitality which has been extended to us by Dr. Mock and the Austrian authorities.

We have come together this week, here in Vienna, a city whose history extends both to the East and West, to mark the opening of two new negotiations on military security. The significance of these negotiations cannot be over emphasized.

We are here to help banish the threat of war in Europe and to search for new expressions of peace and security. We are here to establish new traditions of cooperation for future generations of Europeans and North Americans.

Forty-four years after the end of the Second World War, Europe remains a house divided between two military alliances, with over five million men and women still facing one another under arms. Despite the enormous progress made since 1945, Europeans continue to live with the spectre of sudden military attack. The present concentration of armed forces in Europe is the highest ever known in peace-time; its destructive potential is enormous.

Clearly, this is a situation which cannot be allowed to continue. Europe has seen, over the years, more than its share of war, and well understands its horrors. Canadians too understand the horrors of war: over 100,000 Canadian men and women have died in Europe in two World Wars. Such wars must never be allowed to happen again.

On March 9th, our delegations will sit down at two new negotiations, with the goal of lessening the possibility of war. One of these negotiations, dealing with Confidence- and Security-Building Measures, will attempt to build upon the already considerable results achieved at the Stockholm Conference; the second, a Negotiation on Conventional Armed Forces in Europe, will attempt to establish a balance of conventional armed forces at lower levels in Europe.

The negotiations which we are about to begin promise to be the most significant arms control and disarmament deliberations yet undertaken on a multilateral basis. If successful, they will have implications for negotiations in other areas as well, and will help consolidate the growing political will for a more stable Europe.

Today, all our peoples have grounds for new hope that the peace we now enjoy will continue - but in a more secure and less confrontational world. We are the makers of our own history. Let us harness our collective energy and direct it toward the creation of a more harmonious and stable European security framework.

The work that has gone into preparing these negotiations, both at the Vienna Follow-Up Meeting and in the Mandate Talks, has been protracted and arduous. However, the results are worthy of the effort. No arms control undertaking has ever started off on a firmer footing than the Negotiations on Confidence-and Security-Building Measures, nor has any begun with more clearly stated objectives and guidelines than the Negotiation on Conventional Armed Forces in Europe.

The signs are encouraging. True, a serious imbalance in conventional forces in Europe still exists. Yet, dramatic progress in arms control and disarmament has been made over the past few years, and problems which previously seemed intractable have yielded, or are in the process of yielding, to long-sought solutions.

The successful conclusion of the Stockholm Agreement in 1986, marked a major step forward toward enhanced security in Europe. The soundness of the agreement signed in Stockholm has been amply confirmed in its implementation.

Since January 1987, some 35 observations of military activities have been carried out under its terms. Canadian soldiers are among those who have been inspected and observed, and have themselves participated in observations. These observations have contributed materially to the heightened sense of confidence which now exists; they have helped entrench such important gains as the right to on-site inspection.

The pattern of observations and contacts among military personnel that has been established is unprecedented in both its nature and scope. A great opportunity exists to enhance this new climate for trust and cooperation. We must build carefully and well on this foundation.

All of our efforts, of course, have not been equally fruitful. Last month, for example, we concluded the Mutual and Balanced Forces Reduction (MBFR) talks without having reached agreement. The extent of common ground proved to be insufficient. However, even here we gained invaluable experience.

Earlier this year at the Vienna Follow-Up Meeting of the Conference on Security and Cooperation in Europe, Mr. Clark described the MBFR talks as a pioneering attempt at conventional arms control: the positions of the two sides converged on a number of issues and the participants gained a clearer picture of what will be necessary to achieve mutually agreeable and verifiable reductions and limitations of forces and armaments in Europe.

Solid progress has also been achieved in other areas of arms control. The 1988 INF treaty between the United States and the Soviet Union has been hailed, quite rightly, as an historic achievement. The progress that these two countries have continued to make toward an agreement on major reductions in their strategic nuclear arsenals provides grounds for optimism. I was pleased yesterday to hear both Foreign Minister Shevardnadze and Secretary Baker renew their commitment to progress in this crucial area.

On another front, we believe that the political momentum developed at the Conference on Chemical Weapons in Paris, in January, will make it easier to conclude a ban on such weapons at the Geneva Conference on Disarmament. In this connection, Canada welcomes and supports the proposals relating to chemical weapons announced here yesterday by Secretary of State Baker. We look forward to working with the United States, Australia and others in the implementation of these proposals. For its part, Canada has recently made public details of its Chemical Defence Research Programme and we have invited representatives of the Soviet Union to visit the single Canadian facility at which this research is carried out.

This progress reflects the determination with which the Western Allies, including Canada, have pursued arms control and disarmament objectives throughout this decade. All too often it is forgotten that the origins of many key arms control proposals are to be found in the West. It was the unswerving determination of the members of the Western Alliance which ultimately resulted in an acceptance of the "zero option" for INF. It was in Halifax, Canada, in May 1986, that NATO foreign ministers took decisions to prepare for the negotiation of mandates and arms control proposals relating to conventional arms in Europe that have led to our meeting here today. It was our call for the elimination of asymmetries in conventional forces in Europe to which the member states of the Warsaw Pact responded in declaring a readiness to reduce their forces in Eastern Europe.

Today we face an emerging new dynamic in East/West relations, in part brought about by changes which are taking place in the Soviet Union. Along with glasnost and perestroika has come a new political thinking in the USSR, which has had its impact in the area of arms control as well. Soviet leaders and their Warsaw Treaty partners now espouse a concept of "reasonable sufficiency" in military doctrine, which suggests a shift to a more defensive posture. There appears to be a growing appreciation that the West's military approach reflects its own perception of its legitimate defensive needs, in the face of Warsaw Pact force levels and deployments.

Eloquent testimony to this change in thinking was provided by President Gorbachev's statement to the UN General Assembly last December, in which he announced his intention to reduce Soviet force levels and to change the Soviet force posture. This was followed by the announcement of further reductions by other Eastern European countries. Mr. Shevardnadze provided further elaboration yesterday. These were welcome announcements and we look forward to their implementation.

These developments augur well for our undertaking here. Yet the challenge before us in these new security negotiations remains a daunting one. We shall surely need great reserves of political will, confidence and determination when confronted with the enormous complexity of the issues involved. Our will for a stronger peace, based on enhanced mutual security, must drive these negotiations forward.

Canada's interest and engagement in these negotiations results from the long history and rich traditions which we share with the countries of Europe. Our cultural and linguistic ties with the countries of both Eastern and Western Europe reach back over the centuries, and remain strong; commercially, we prosper as good neighbours. The very foundation of our state was linked to our participation in European affairs. In recognition of this shared heritage and of our continuing common security interests, Canadian soldiers remain in Europe today, firm in the fulfillment of our responsibilities as a member of an Alliance committed to the defence of freedom and human rights.

At the start of the new negotiations on Thursday, Canada will join in tabling detailed, concrete proposals as outlined here yesterday by Sir Geoffrey Howe. In the Negotiations on Confidence- and Security-Building Measures, we will work to improve and expand the measures agreed upon in Stockholm, seeking greater transparency both of military organizations and of military activities. We will propose measures for an annual exchange of information concerning military organization, as well as measures designed to produce

greater openness and predictability regarding military activities. Convinced that contacts at the military level should be extended in order to improve our understanding of each others military thinking, we will propose as well an organized exchange of views on military doctrine.

These Confidence- and Security-Building Measures will be put forward with a view to effecting an increased openness about military matters; they will seek to dispel the suspicion which is a cause of tension between East and West.

In the Negotiation on Conventional Armed Forces in Europe, our proposals will seek to promote enhanced stability through a reduction in the capability of states to mount surprise attacks and large-scale offensive actions. To this end, we will propose an overall limit on the total holdings of armaments in Europe which most threaten us, such as tanks, artillery and armoured troops carriers. These weapons systems are capable of rapid mobility and high fire-power and are central to the seizing and holding of territory. They must be reduced and limited, with equal numbers on each side. As well, we will propose limits on the quantity of those armaments held by any one country, both on its own territory and stationed on the territory of others. No one country should be permitted to dominate Europe by force of arms.

A critically important aspect of these negotiations will be agreement on effective verification measures. Acceptance of verification of compliance as an essential element in the arms control and disarmament process has been formally registered through the adoption of consensus resolutions at the UN General Assembly.

Arms control verification has its own distinct and specific characteristics. It is not equivalent to unilateral monitoring by national means. Neither can it be equated to the observation of unilateral measures under conditions determined by one or more countries without benefit of negotiation. Real verification measures must be a product of negotiation. They must be acceptable to, and equally applicable to, all parties to an agreement. International experience with the negotiation and implementation of such verification measures is still scarce. However, in the bilateral area, the INF agreement is pointing the way, and multilaterally, the implementation of Confidence- and Security-Building Measures under the Stockholm Agreement is providing valuable experience.

Here in Vienna, our negotiators must draw on their experiences in both bilateral and multilateral contexts to develop an effective verification régime, capable of providing confidence in compliance. It will not be sufficient to work

toward agreement on reduction measures and subsequently to attempt to devise verification provisions. It will be necessary to examine closely the verification implications of all proposals under negotiation to ensure that compliance with agreements reached can be verified.

A meaningful verification régime will have to be built on a variety of techniques. On-site monitoring, surveillance from space and from aircraft and challenge inspections will probably all have to be used. We were therefore much encouraged by Mr. Shevardnadze's statement that in these negotiations there is no verification measure that the USSR would not be ready to consider and accept on the basis of reciprocity.

In Canada, we will devote considerable resources to this aspect of the negotiations; we have in the past shared the results of our research with the international community. We hope that other nations will devote similar efforts to these important issues. In both negotiations, Canada will be active in devising means to ensure the reliable verification of any agreement.

The proposals that Canada and its Allies will put forward are, in our view, realistic. They will require important changes, not just in the deployment of conventional forces but in our thinking about how peace and security can best be preserved and strengthened in Europe. They will require an unprecedented willingness to draw aside the veil of secrecy which often obscures military operations. The proposed changes are possible and workable. They involve reasonable steps which will further reduce mistrust and the risk of miscalculation. We must now get down to the hard work involved in translating these proposals into agreed measures which, as the Foreign Minister of Poland has just said, will strengthen the security of all.

Today, a growing sense of optimism exists about East/West relations. There is a sense that the world has entered one of those special, if infrequent, periods in the history of states when political will and imagination can fruitfully be brought to bear on previously intractable problems. Let us seize this opportunity to redeem the reputation of our century for unprecedented destructiveness and bloodshed. Let us devote all the energies and resources at our disposal to building a genuine and stable security framework for Europe and North America in the 21st century. As a Minister of my Government, as a concerned citizen and as a mother, may I say that we owe no less to our ancestors and to our children.

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STATEMENTS AND SPEECHES



Statement by the
Right Honourable Joe Clark,
Secretary of State for External Affairs,
on Official Contacts with the PLO
and Self-determination

Ottawa, Ontario

March 30, 1989

Canada

I am announcing today the results of our review of recent developments in the Middle East relating to the Palestinian issue. We have come to certain conclusions in this matter, in accordance with the objectives which have guided successive Canadian governments over the years. The fundamental principles have long been

- support for the security, well-being and rights of Israel as a legitimate, independent state in the Middle East;
- support for a just, lasting and comprehensive peace settlement based on Israeli withdrawal from occupied territories as enunciated in Security Council Resolution 242 of 1967;
- recognition that for there to be a just peace, the legitimate rights of the Palestinians must be realized, including their right to play a full part in determining their future;
- insistence that for the PLO to play a role in Middle East peace negotiations, it must accept Israel's right to exist within secure and recognized boundaries.

Over the past year and a half, developments in the Middle East have altered longstanding assumptions about the nature of the peace process. The intifada in the occupied territories has demonstrated that Palestinian nationalism is a reality that must be taken into account. King Hussein's withdrawal from Jordan's former responsibilities for the West Bank acknowledged this fact and served notice that Jordan would no longer speak for the Palestinians.

In recent months, constructive and helpful statements by the Palestine National Council and by Chairman Arafat have addressed some of the basic Canadian concerns about the position of the PLO. The PNC accepted Security Council Resolution 242 as a basis for a peace conference on the Middle East and disavowed the recourse to violence against civilians. In Stockholm and Geneva, the Chairman of the PLO explicitly recognized the State of Israel.

I welcomed the developments at the time. The PLO decisions and statements of recent months, declaring their recognition of the State of Israel and their readiness to find an accommodation with it, represent a revision of traditional PLO policy.

After careful consideration, we have concluded that the changes in PLO positions largely address the reservations Canada had expressed. Canadians naturally remain concerned about extreme elements associated with the PLO, but it is our view that a peaceful settlement requires the participation of the PLO and Canada wants to encourage that Organization to play a consistent and constructive role in the peace process. We have therefore decided to lift as of today our existing restrictions on contacts with representatives of the PLO.

This action will allow us to continue to encourage constructive actions by the PLO, and to suggest further measures, such as the amendment of obsolete rhetoric in the Palestine National Charter, that can contribute to the climate of confidence required for negotiations in good faith.

I want to take this occasion to reiterate that Canada does not recognize the Palestinian state proclaimed last November. However, the proclamation of a state does cast a different light on the question of Palestinian self-determination. Canada has long accepted the right and need for Palestinians to play a full part in negotiations to determine their future. We had been concerned that the phrase "self-determination" was being used as a code-word for an independent state, and that Canadian endorsement of the principle would be interpreted as Canadian advocacy of an independent state. That interpretation is no longer possible, because an independent state has been declared, and not recognized by Canada. That allows Canada to endorse the principle that the Palestinians have the right to self-determination in accordance with the International Human Rights Covenants. That must be exercised through peace negotiations in which the Palestinians play a full part.

Those negotiations may lead to an independent state, or to a federation with an existing state, or to some other result. We do not prejudge the results of those negotiations, but affirm the rights of Palestinians to participate fully and directly in that process.

I indicated to my Israeli counterpart, Foreign Minister Moshe Arens, when we met in Paris in January, that the Government of Canada strongly supports the early launching of a process of negotiations, which would require the participation of the PLO as the principal representative of the Palestinians.

The Canadian Ambassador to the United Nations, Mr. Yves Fortier, will meet with a representative of the PLO Mission to the United Nations. Other contacts will take place elsewhere as appropriate as part of the ongoing pursuit of Canadian foreign policy objectives.

We take these actions in the expectation that they will encourage the PLO to continue on the course indicated by its recent statements and actions and with the hope that ultimately this will help bring security to Israel.

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Statement by

The Right Honourable Joe Clark,
Secretary of State for External Affairs,
in the House of Commons on the
Occasion of NATO's 40th Anniversary

Canada

Ottawa, Ontario

April 4, 1989

Mr. Speaker,

I rise today to pay tribute to the 40th anniversary of the North Atlantic Treaty Organization which has been a cornerstone of Canadian foreign policy for successive Canadian governments. What we celebrate is not only 40 years of uninterrupted peace in Europe but also the values which brought us together then and which still unite us today.

When he signed the treaty on behalf of Canada, the Right Honourable Lester Pearson stated:

"This treaty, though born out of fear and frustration, must, however, lead to positive social, economic and political achievements which will extend beyond the time of emergency which gave it birth, or the geographic area which it now includes."

We must keep in mind the situation prevailing at that time: fully armed Soviet troops were still stationed in Europe; the West Berlin blockade was on; a Communist takeover had just crushed Czechoslovakia's nascent democracy; and the nations of Western Europe, barely through with the war, were openly threatened by a similar fate. There is a striking contrast with the prosperous times we are experiencing today, and NATO has been and still is an essential instrument of such progress.

The unity and determination of the Alliance have often been put to the test: recurrent troubles in Eastern Europe, the uprising in Hungary, the Suez Canal crisis, the crushing of Prague's springtime demonstrations, detente in the Seventies, Afghanistan and the double decision. In every instance NATO came through stronger and more relevant.

Today NATO provides for the common security of over 600 million people in 16 nations on both sides of the Atlantic. The modern era is marked by conflict, yet Europe, the region with the highest concentration of sophisticated weaponry in the world, is enjoying the longest sustained period of peace and stability since the height of the Holy Roman Empire. That peace was made possible through NATO's persistent commitment to pursue complementary goals: first, to maintain adequate defences to deter aggression; second, to control and limit armaments through carefully negotiated and verifiable agreements; and third, to constantly promote dialogue with the countries of eastern Europe.

Has the Alliance met the test that Lester Pearson set for it 40 years ago? Has it led to positive social, economic and political achievements? Is it more than just a military alliance? Clearly the answer is yes to all questions.

It was through NATO in 1972 that we and our Allies set down our objectives for the conference on security and co-operation in Europe. Through that process, we have secured from the Soviet Union, and its East European Allies, real commitments in human rights, economic co-operation and military security. Today, in the East, there is greater respect for the rights of individuals, greater freedom to travel to visit friends or relatives and greater freedom to worship. That progress would not have been made without the tenacity with which the Allies pressed the East to extend to their publics the privileges and rights which we take for granted.

We are at an historic juncture now. The two superpowers have agreed to eliminate an entire class of nuclear weapons. Significant progress has been made on a treaty to reduce by approximately 50 per cent the size of their strategic nuclear arsenals. A new sense of purpose has been injected into their efforts to control and ultimately ban chemical weapons. And perhaps most important of all, new negotiations to reduce conventional forces in Europe are under way in Vienna. With imagination and good will on both sides we have every reason for optimism.

President Gorbachev is claiming credit for much of this success and certainly he deserves a good deal of credit. After all, he is redefining the Soviet Union. However, it is important to remember that President Gorbachev has been responding to ideas and proposals originally made by the West. He has been responding to the unity and to the fidelity to Western values which are at the heart of the success of the North Atlantic Alliance.

Every Canadian of good will celebrates the changes that are appearing in the Soviet Union and in parts of eastern Europe. They represent the kind of genuine progress toward the social, economic and political achievement that Mr. Pearson described. The challenge is for NATO to continue to bring down the tensions between East and West and to continue to build up confidence and co-operation. That will require the same unity and determination which have allowed the NATO alliance to contribute so strongly to the progress so far.

Some have suggested that Canada should step aside from the responsibilities of membership in this Western alliance. Had we stepped aside before, NATO would not have been able to contribute as constructively to the progress the

world sees now. Canada has many means to influence peace in the world. One of those, which has worked for 40 years, and is essential to continued progress in East-West relations, is the NATO alliance whose anniversary we mark today.

NATO has been good for Europe, good for North America and good for Canada. This government is committed to ensuring that Canada continues to play a full and leading role in NATO in helping to shape a new era in East-West relations.

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Closing remarks by
the Honourable John Crosbie,
Minister for International Trade,
at the Business Leaders' Conference
on Europe 1992

Canada

Toronto, Ontario

April 10, 1989

Ladies and Gentlemen:

My tasks today are threefold:

- to thank Minister Ruggiero for his presence here today; and for his informative remarks;
- to briefly outline the Canadian Government's perspective on this important development; and
- to ensure that this luncheon ends before 1992.

I would suggest that in order to understand Canada's approach to 1992, it is useful to step back and place the process in its broader context. Because trade, as never before, is played out on a global canvas, with Europe and 1992 only part of the total picture.

In my opinion, that total picture would reflect three basic facts of modern economic life.

Fact number one is the emergence of the global triad -- the three great pillars of economic activity in the global arena:

- North America
- the European Community; and
- the Japanese-centered, Asian-Pacific mega market.

These 3 mega markets are, of course, not new. Trade within each region has long been growing rapidly. Many of the institutional arrangements that underpin the triad, like the Treaty of Rome in Europe and the Canada-U.S. Auto Pact, are decades old. And the 40 year old link between these three pillars is the GATT.

So the emergence of a global triad is one fact. A second, I would suggest, is that the focus of international commerce in value-added goods is moving towards more direct investment -- in particular, setting up close to customers to maintain quality control, to meet the demands for just-in-time inventory practices and to ensure intimate knowledge of local conditions.

And the third reality -- one closely linked to investment -- is the growing need for strategic corporate alliances, particularly in higher technology sectors like aerospace and telecommunications. Alliances which are necessary not only to share the risk of escalating development costs, but to broaden the potential markets for eventual production.

In devising the correct Canadian response to such trends, we set ourselves 2 fundamental goals.

One was to improve the ability of our companies to compete; and the second was to improve their opportunity to participate in all 3 markets.

Central to the issue of competitiveness was the Canada-U.S. Free Trade Agreement.

For the FTA will clearly improve the ability of Canadian-based enterprises to compete not just in North America, but in the other 2 mega markets of Asia-Pacific and Europe. We see it as a stepping stone to all 3 pillars; just as the Europeans see 1992 as a strategic necessity in the face of North American and Japanese competition. It is a key part of what Premier Peterson has correctly described as "a winning formula".

But we also recognized that the ability to compete and participate worldwide is irrelevant without opportunity. Hence our desire to also make multilateral progress in the GATT -- progress on such difficult issues as agricultural trade, procurement, technical barriers and trade in services -- progress which we hope will maximize trade and investment flows between the 3 mega markets.

That is what we mean by a three pillar strategy, with the Free Trade Agreement as the key to Canadian competitiveness and freer trade through the GATT as the door to opportunity in all 3 mega markets.

And that's where the 1992 exercise comes into play. For, as I said this morning, it is the link between these internal Community reforms and the external GATT commitments of the European Community that will determine what 1992 ultimately means for Canadian firms and Canada.

I strongly hope that 1992, like our own Free Trade Agreement, will be a force for freer multilateral trade; with the rules extended on the basis of most-favoured-nation and national treatment. It is in the interest of the Community to do so. But because of the disparities within the Community, I have no doubt that protectionist forces will be at work. They must not prevail.

Minister Ruggiero, it is our hope that the 1992 process does not successfully roll back the frontiers of states within Europe, only to see them reimposed at the Community level.

In light of these economic realities, and the uncertainty over the details of 1992, our government action plan for 1992 is three-fold.

First, we will continue to use the GATT as a framework for Canadian-Community trade relations. We want to build on the existing GATT Codes; to devise new rules for trade in services and investment; and to restore order in agricultural trade. The issues are, of course, difficult at the best of times. They will, we hope, be made easier by the architects of 1992. We must soldier on, building on the agreement reached in Geneva 2 days ago.

Second, the government will continue to monitor 1992 developments closely, and alert Canadian firms about the opportunities and risks ahead. David Culver -- a member of the International Trade Advisory Committee -- is leading the task force on 1992 that is advising the Government. Our missions and embassies are keeping their eyes peeled. Working groups have been created within the Government to provide detailed analysis; and we are releasing today 1 of the 3 major studies to assist Canadian business.

Third, we want to encourage strategic corporate alliances and promote two-way investment, recognizing that the Community is already our most important overseas source of direct investment. It is an area where I am sure Mr. Royer will agree that Canada should not come up "short".

So that will be the basic Canadian trade strategy for the 90s. A three pillar strategy, with the FTA as the key to competitiveness, and multilateral rules as the bridge between the three pillars of Asia, Europe and North America.

And within the European pillar:

- using the GATT as a framework for Canadian-Community relations;
- detailed, ongoing analysis of 1992 developments;
- the encouragement of strategic European alliances; and
- improving on international business skills.

So the message is simple.

- 1992 is a major change on the competitive landscape -- one more step in the emergence of the global triad.

- It's a change that frankly makes our own FTA look even more intelligent, and the ongoing GATT negotiations even more important.
- The extent of the change will be either big -- or bigger. Only time will tell.
- Like all change, it will create both risks and opportunities -- risks through more competition from stronger European firms; and opportunities as the European economy expands.

You need to know about it.

You need to keep on top of it.

And we intend to help you do just that.

So, thank you, Minister Ruggiero, for your informative remarks; Thanks to all the Chairmen and Speakers this morning; and Thank you all for your attendance and interest.

I hope you found the conference as useful as I did.

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Speech by
The Right Honourable Joe Clark,
Secretary of State for External Affairs,
to the Business Council
of British Columbia

Canada

Vancouver, British Columbia
April 19, 1989

SYNOPSIS

Today Canada faces growing economic challenges as more countries are competitive with us and more markets are open to us. Three major trading and economic powers -- the U.S., Europe and the Pacific are each being transformed as they adjust to global political, social, economic and technological changes.

Canada must also adapt. The small size of our domestic market, our capital needs, and the importance of continued access to new technology means we must be open to the world.

A major step in rising to this economic challenge was the negotiation of the Free Trade Agreement with the U.S.

The Agreement ensures Canada's full participation in the rebirth of state-of-the-art North American technologies and thus makes us much more competitive in the world.

We must also be prepared to deal with important changes in the economies of Europe and Asia.

To meet the challenge of Europe 1992, we plan four initiatives:

- A "European Challenge Campaign" to study and explain the implications, technical requirements and market opportunities of the post-1992 European market to Canadians;
- A "European Trade Policy Strategy" to strengthen our ability to effectively pursue Canada's interests with the European Commission and in key European capitals;
- A "European Trade and Investment Development Strategy" for sectors that offer real potential for Canadian companies;
- A "Canada-Europe Science and Technology Strategy" to establish new bridges of trade and technology.

To meet the challenge of the growing influence and affluence of the Asian economies, we are following a Pacific 2000 strategy, a five-year package of initiatives which build on the FTA and strengthen our ability to deal with Asia Pacific. These initiatives include:

- an enhanced Pacific Trade Strategy to help Canadian business compete in the expanding markets of Asia Pacific;
- a Japan Science and Technology Fund to strengthen Canada's scientific and technological base through cooperation with Japanese research institutes.
- a Pacific 2000 Language and Awareness Fund so more Canadians will speak Asian languages and understand Asian cultures; and,
- a Pacific 2000 Projects Fund so that Canada becomes better known in Asia Pacific.

Canada's trade policy must be global in its application.

I am pleased to address this conference in "Opportunities and Challenges - Making Free Trade Work for You" because it is time we move away in earnest from the emotions of the earlier debates on free trade and get on with the business of the day, which is making it work.

The real question for Canadians today is how we make the most of our opportunities in a rapidly changing world.

That change is everywhere - in world politics, world economics, the new care we take of our air and water.

Some of the change is particularly interesting. In Europe, countries that fought one another for centuries are forming a unified single market. In the Soviet Union, economics replace ideology in that powerful nation's decisions. As peace breaks out, all over the world, economic strength has become a real alternative to military might in influencing global developments.

Canada has always been a trading nation

- but now we are in a world in which more countries are competitive with us, and more markets are open to us. We are at the crossroads of three major trading and economic powers - the U.S., Europe, and the Pacific. Each is being transformed, as they adjust to global political, social, economic and technological changes.

What are these changes?

First, the premium today is on innovation. Ideas are now the passport to prosperity.

Technology has become the driving force of the international economy in this post industrial era. High technology industries and our universities are the foundation of long term economic strength and influence.

Second, a new competitive situation is emerging.

Natural resources, long considered synonymous with economic power, are taking a progressively smaller proportion of the world's income. New economic powers are emerging.

Third, capital has become more mobile, moving, literally, at the speed of light. As barriers to financial flows go down, a worldwide capital market is emerging.

Fourth, new business practices and consumer tastes demand specialization in a world where product life is calculated in months, not years.

These changes lead inevitably to new kinds of economic arrangements. These happen around the world - in Europe with the European Community, and the European Free Trade Association: in Asia with the Association of South East Asian Nations and the Closer Economic Relations Agreement between Australia and New Zealand. Similar groupings can be found in the Caribbean, in Latin America, in Africa, and, of course, in North America, with our Free Trade Agreement.

The member nations of the European Economic Community intend to remove all remaining internal barriers to trade by 1992, creating the largest single industrialized market in the world.

It will result in a sophisticated, concentrated, single market of 320 million consumers. The impact in Europe will be tremendous:

- a 4.5% increase in GNP;
- the creation of 1.8 million new jobs;
- a 10% increase in internal trade; and
- a 10% increase in EEC exports to the rest of the world.

Japan has become an economic powerhouse of the first order. With the world's 21 largest financial institutions and the world's largest stock market Japan is now the foremost source of capital extant. It has also become the largest aid donor in the world. By the turn of the century its overseas assets could exceed a staggering 3 trillion dollars.

But it too is adapting. Responding in part to developments in Europe and concerned with its over reliance on the American market, Japan is expanding its trade and investment throughout the Pacific region.

Meanwhile, the emerging economics of the Pacific Basin, the so-called Newly Industrialized Economies - such as Taiwan, Korea, Hong Kong and Singapore - present a dramatic challenge to the industrialized world.

Malaysia, Thailand, China and other countries in the region are not far behind. Korea and Taiwan now have large and growing trade surpluses and they are constantly adjusting into higher value added production as their labour costs rise. Both countries are now aid donors.

Right next door to us, in our largest export market, the United States is involved today in a major effort to regain the competitive edge in international markets.

The world is changing, and so is Canada.

Our economic prosperity has always relied upon a strong export sector. Nearly one third of our GDP is related to trade and no country in the industrialized world has more interest than we do in a vibrant and thriving world trading system. The small size of our domestic market, our capital needs and the importance of continued access to new technology leave Canada no choice but to be open to the world.

But our economic growth and well-being are also critically dependent upon a stable and secure access to the U.S. market. Our trade with the U.S. has grown faster than with any other area, including Europe and Asia, despite recent, very significant progress in these two continents. Simply put, Canadian business has taken advantage of the booming U.S. market on our doorstep.

That increased importance of the U.S. market made it imperative that we enhance our security of access and that we put ourselves in a position of strength to deal with the changes that transform the world trading system.

This is what the Free Trade Agreement is all about.

That Agreement is part and parcel of our multilateral approach to trade. Because we rely so much on trade, we would have most to lose from any withering away of multilateral rules, a great deal to gain from strengthening that system. That is why Canada plays such a leading role in the Uruguay Round of Multilateral Trade Negotiations.

At the same time, the Agreement puts us in a position to capitalize on our unique location and key relationship with each of the major trading areas of the world and to work towards building bridges between them.

Today, the FTA is a reality and the challenge now is to make this great instrument work, to respond to the opportunities it presents for the private sector.

The FTA mechanisms are in place and functioning as anticipated. Appropriate steps have been or are being taken on dispute settlement, adjustment and sectoral strategies. Key decisions on trade support program in the U.S. are being implemented.

Earlier this week, federal and provincial Ministers responsible for Trade met in Ottawa to prepare for the future. Thorough consultations with the private sector were one of the principal reasons for the success of the negotiations, and we will rely on the ITAC and the SAGITs to help us ensure effective implementation.

There will be tough times. The FTA provides the framework for managing trade disputes with the U.S.; it doesn't eliminate them, or make them easier to negotiate. And the subsidy negotiations will be no piece of cake.

But, the Agreement provides Canadian firms with the economies of scale and the stronger competitive base required to pursue opportunities everywhere in the world.

It lets Canada seize the opportunities that will emerge from European unification.

It helps us take advantage of the immense Asian export and capital markets.

All that depends, of course, on Canadian firms adapting new technologies and marketing techniques. But the FTA makes us world-scale, and that is a big step forward.

The Government is acutely aware of our duty to alert Canadians to changes in Europe and Asia and to target key sectors for export growth.

To meet the challenge of Europe 1992, we plan four major initiatives:

- A "European challenge campaign" to study and explain the implications, technical requirements and market opportunities of the post-1992 European market to Canadians.
- A "European Trade policy strategy" to strengthen our ability to effectively pursue Canada's interests with the European Commission and in key European capitals.
- "A European trade and investment development strategy" for sectors that offer real potential for Canadian companies.
- "A Canada-Europe science and technology strategy", to establish new bridges of trade and technology.

There is an equal challenge across the Pacific, with the growing influence and affluence of the Asian economies and their export-led growth.

We are following a Pacific 2000 strategy, a five year package of initiatives which build on the Free Trade Agreement and strengthen Canadians' ability to deal with Asia Pacific. The initiatives include:

- An enhanced Pacific Trade Strategy to help Canadian business compete in the expanding markets of Asia Pacific.
- A Japan Science and Technology Fund to strengthen Canada's scientific and technological base through cooperation with Japanese research institutes.
- A Pacific 2000 Language and Awareness Fund so more Canadians will speak Asian languages and understand Asian cultures.
- A Pacific 2000 Projects Fund so that Canada becomes better known in Asia Pacific.

Canada's trade policy can only be global. The Free Trade Agreement with the U.S. will ensure Canada's full participation in the rebirth of state-of-the-art North American technologies. That makes us much more competitive in the world. It lets us "go global". Some people saw the FTA as a sign that Canada was turning away from the world, and locking ourselves in this continent. It means the opposite - it gives us the scale and the scope to compete in a wide world that is changing dramatically.

We have in this country world-class industries and world-class financial institutions. Our economy is diversified and strong. We are well equipped to prosper. Canadians have the fundamental ability, the skills and the talents to compete successfully in the future as we have in the past.

Our responsibility is to provide the opportunities and the environment to ensure that these talents are used to the fullest of their capabilities. We would be failing our youth and our future if we did not reach out and compete in the changing world we see before us.

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STATEMENTS AND SPEECHES

Speech by

The Right Honourable Joe Clark,
Secretary of State for External Affairs,
to the Canadian Club



Canada

Toronto, Ontario

May 3, 1989

SYNOPSIS

- The release of the Rabinovich family and their reunification with their family in Canada last Sunday is one sign of what can only be called a revolution sweeping Soviet society.
- It is one of the most important developments in the world today and has profound implications for Canada's relations with the Soviet Union and Eastern Europe.
- The Soviet Union is now embarking on political, economic and legal reforms at home which will test this revolution.
- Gorbachev has also established new rules, goals and attitudes for Soviet foreign policy.
- Initiatives by the Western Alliance, and alliance solidarity, made it necessary, and possible, for the Soviet Union to change.
- Western proposals which were earlier rejected are now being advanced by Moscow as their own.
- Canada must continue to be guided by the combination of defence and dialogue which has served the NATO Alliance so well for 40 years and which helped create the incentive for Mr. Gorbachev's reforms.
- Is it in our interest to see Mr. Gorbachev succeed? The unequivocal answer is yes.
- Canada and the West have a large stake in Mr. Gorbachev's success. We must applaud his efforts, unequivocally state our support for his domestic goals and help Soviet citizens develop the self-confidence and self-worth crucial to the success of reform.
- We must capitalize on the extensive relationship which we already have with the Soviet Union in the cultural, scientific, environmental, humanitarian and business fields.
- The Prime Minister's trip to the Soviet Union this fall will be an important catalyst for advancing this multifaceted relationship.
- There are many risks ahead, for Mr. Gorbachev and for all of us. We must act with prudence and imagination, conscious of the probability that we are at a genuine watershed in modern history.

Five months ago Alexander Rabinovich was again denied the right to leave the Soviet Union, because "he was party to state secrets, having worked a decade ago, in a Soviet communications facility." Last Sunday, the Rabinoviches were reunited with their family in Canada, because the question had been brought to the direct attention of the highest leadership in the Soviet Union.

That is but one sign of what can only be called a revolution sweeping Soviet society. It is one of the most significant, intriguing, and hopeful, trends in the world today, and has profound implications for East/West relations generally, and for Canada's relations with the Soviet Union and the countries of the Warsaw Pact.

The reaction of the West to these developments in the Soviet Union has been mixed;

- we are awed by their pace and scope;
- we are sceptical of their permanence and intent;
- we are apprehensive about both their success and their failure;
- and we are hopeful for ourselves and our children.

Those mixed reactions are understandable, and appropriate.

When frames of reference collapse; when some tried and true concepts are tested; when old limits shatter and new horizons emerge: the intuitive response is often to deny the change or to say that everything has changed. The challenge is to identify what has changed, and what that means for us.

Some scepticism is natural. After all,

- we have seen hopes raised before, only to be dashed;
- we have seen promises made, only to be broken;
- and an earlier generation was promised "peace in our time" only to return to conflict and recrimination.

But today, I believe we have entered a watershed. We are there partly due to our own persistence and prudence. The unity and the initiatives of the Western Alliance have made it possible and necessary for changes to come within the Soviet Union. But the fact that the changes have come, and are so pervasive and profound, is due to Mikhail Gorbachev, and the reformers he has brought to power. Mr. Gorbachev is embarked upon a journey of almost unprecedented risk, challenge and promise. He has undertaken to re-make Soviet society - initially from the top down and eventually from the bottom up.

This is an effort of almost unimaginable proportions. For any leader, anywhere. For we are not talking here about tinkering. We are talking about massive, structural change across the board - in all sectors and in all walks of life. And we are talking about changes in attitude and spirit as well as the concrete components of a society.

But this task is even more difficult for a Soviet leader.

The Soviet Union is a society of immense potential wealth - a massive territory, a large population, a storehouse of resources. But it is a society drained of spirit; an economy bereft of initiative; a populace deprived of freedom and driven to conform.

Not only does Mr. Gorbachev have to reform his society; he must teach his people to want reform: to replace complacency with initiative; conformity with variety; defeatism with optimism; and collectivism with individualism.

What is Mikhail Gorbachev up to and why?

In my view he has discovered a simple but profound truth: the Soviet system of the past has not worked, will not work and cannot work. It has failed, and failed miserably.

He also realizes that to change it requires more than a slogan, an adjusted 5-year plan, a special Party Congress or plenum.

It requires a revolution.

And so we have elections. For the first time, millions of Soviet citizens freely voting for multiple candidates. Real election platforms; candidate debates; differences of view. And the results? Reformers elected. A fired Politburo member, Boris Yeltsin, swept to victory in a landslide. And the old guard rejected in many areas through an extraordinary act: the crossing off of their names by a majority of the voters, even when they were the only candidate. A Canadian politician trembles at the thought.

Of course, this is not a Western democracy. The Communist Party still rules. The limits remain severe. The flower has barely shown buds.

But it is a beginning, a spring. And an important beginning at that, for once given the opportunity to express their views, the people are difficult to humble.

The Soviets are also engaged in fundamental economic reform. New words are being heard: decentralization; privatization; and the hallmark of capitalism -- profit. It is here where the stakes are highest and where the difficulties are greatest. It goes to the heart of the structure of privilege, corruption and complacency which has characterized the Soviet nightmare. It also demands that choices and opportunities not only be made available, but that they be treated as valuable by the worker.

This call to initiative, this exhortation to work harder and with pride is where Mr. Gorbachev's greatest vulnerability lies. For there is a quid pro quo. Soviet workers want evidence that their new efforts will be rewarded. They have to be enticed. Their attitudes will not change overnight, nor will they change because others want them to. They must be convinced. And the proof so far has been remarkable largely by its absence.

The dilemma is clear: the Soviet economy will not improve until attitudes and behaviour change. But attitudes and behaviour will not change until the economy improves. That is the most urgent test of Mr. Gorbachev's revolution.

There is another basic change, less publicized, but equally important. Mr. Gorbachev wants to reform the legal system. Much of the work is underway, largely quietly and behind closed doors. It is of abiding importance. For it demonstrates that Mr. Gorbachev wants to make his society less arbitrary, less capricious, less cruel. He seeks, in effect, to make it a society of laws, laws which many of us would still find repugnant, but laws nonetheless -- with due process, with rights, with duties and responsibilities. If he fails he will not gain the confidence of his countrymen that the system has changed. And if he does not safeguard the progress he has made through legal guarantees, his own grip on power becomes more tenuous.

And throughout, history is being re-written. Just as the present is precarious and the future uncertain, the Soviet past - once graven in stone - has been shattered. Old idols have been discredited. Joseph Stalin is now seen as being at the root of the Soviet economic failure. Leonid Brezhnev is now judged to have institutionalized stagnation. Unmentionable events are now documented - whether the bloody purges of the pre-War period or the Stalin-Hitler pact to dismember Poland. Criticism is encouraged. They say in Moscow that the most difficult problem today is "predicting the past".

It is in light of this multi-faceted revolution that we must evaluate the new reality in East-West relations. Mr. Gorbachev believes that prosperity and progress at home can only be purchased through peace abroad. That is not simply a question of reducing the stranglehold of the military on scarce resources. It is also a matter of seeking stability and prestige abroad to foster stability and prestige at home. And, eventually, it is a question of trying to benefit from the energy and resources of the Western economic system to help pull the Soviet economy out of its 19th Century doldrums.

Throughout the arena of global politics, Mr. Gorbachev has established new rules, new goals, and new attitudes for Soviet foreign policy. The withdrawal from Afghanistan, a more constructive approach to Southern Africa and the Middle East: all testify to a willingness to compromise, to seek realistic solutions, and to back away from the troublemaking and obstruction of the past.

Reform in Eastern Europe is not only being tolerated, but encouraged. Poland and Hungary are moving towards a form of pluralistic democracy, without let or hindrance from Moscow. And the repressive regimes in East Germany, Czechoslovakia and Romania are criticized by Moscow for their adherence to the old, cruel ways.

A new attitude has been brought to international organizations and multilateral cooperation. Part of the reason the the U.N. system has been reinvigorated is that there is a new Soviet acceptance of its relevance and utility.

And in those areas most fundamental to Western security - arms control and other aspects of the East-West relationship - we have seen a remarkable transformation. Western proposals previously rejected as untenable are now seized by Moscow and advanced as their own.

That happened when Mr. Gorbachev and President Reagan signed the historic agreement which eliminated a whole class of nuclear weapons.

It is reflected in the Soviet Union reversing the previous policy to embrace other Western arms control proposals - on a chemical weapons ban and on assymetric force reductions in Europe.

Real compromise, real give and take, the beginnings of acceptance of Western concepts of stability and confidence-building: that has become more the rule and less the exception.

Naturally Mr. Gorbachev still seeks to preserve national advantage and advances some proposals whose primary intent is to cause domestic political problems for Western governments. But there is a fundamental dynamic to the new Soviet attitude which is refreshingly flexible, even reasonable in its tone and content. Rather than strangers playing games according to different rules, using different concepts, and seeking different ends, one now has the sense of a traditional negotiating process between players who accept the rules, share the concepts and know where the areas of compromise lie. One sees this in the new negotiations on conventional forces in Europe, as well as in nuclear arms control.

Now, what should our attitude in the West be to all of this?

And what stake and interests do we as Canadians have in this process?

To me, the most fundamental question for the West is this: Is it in our interest to see Mr. Gorbachev succeed? From this, everything else follows.

To me, the unequivocal answer is yes.

Why should we fear a more prosperous and free Soviet society? Are the processes of social and economic development which turned Western societies away from war and towards diplomacy invalid for the U.S.S.R. and Eastern Europe? Is the Soviet leadership incapable of seeing the advantages of peace, and the costs of war? Just as within the West, the webs of trade and prosperity act as a damper on conflict, is it not possible to envisage a similar fabric between East and West? And should we not strive to bring that to pass?

If we are suspicious of Mr. Gorbachev; if we deride the pace of his reforms or the degree of his success; if we shun opportunities for mutual advantage then we must ask ourselves some troubling questions.

Would the alternative be better?

Do we wish to see the Old Guard returned?

Despite what we've been saying for years, do we really prefer Stalinist repression, inefficiency and imperialism?

Are we so fearful of change that we seek a retreat to the past?

The answer to all these questions is surely no.

Now, this of course does not mean we slide into escapist dreams or flights of idealism divorced from reality.

We cannot forget, after all, that the Soviet military remains enormous, enjoying tremendous numerical advantages over our own forces in Europe.

Again, the obstacles Mikhail Gorbachev faces internally are major ones. His eventual success can not be taken for granted.

We must remain prudent, always careful to safeguard our interests and advance our values.

The Soviet Union has no tradition as do we of democratic institutions or individual liberties.

In any negotiations with the Soviets, we must bargain hard.

And we must, above all, continue to be guided by that combination of defence and dialogue which has served the NATO Alliance so well for 40 years, which helped create the incentive for Mr. Gorbachev's reforms.

But it is not a choice between "our" interest and "theirs"; between dialogue and silence; between their future and ours.

Canada and the West have a big stake in Mr. Gorbachev's success.

We must encourage his reforms. We must applaud his efforts, while asking for more. We must be patient. We must state our support for his domestic goals clearly and unequivocally. We must help the Soviet citizen develop that sense of self-confidence so central to the success of reform.

How does Canada fit in to all of this?

In one sense, we have no "special" interest. We are a country like others which seeks peace, strives for stability and searches for new avenues of cooperation. But we also have much that is special. We are the next-door neighbour to the Soviet Union, a Northern country, an Arctic nation. We too have a resource-based economy, and skill and experience in developing it. We share environmental concerns and problems. We are a multicultural society that works - and that has direct family connections to the East - one in ten Canadians are from Russian or Eastern European backgrounds. And we have much to offer a Soviet Union which seeks Western know-how and experience as it enters a new economic era.

I believe we must capitalize on this commonality of situation, this mutuality of interest - both out of our narrow national interest and a recognition of the value of cooperation for a more stable East-West relationship.

The Prime Minister's trip to the Soviet Union this fall will be an important catalyst for this process.

Our relationships with Moscow are already extensive and improving across the board. They range from artistic exchanges through the scientific and environmental communities. There is active Arctic cooperation. The flow of human contacts is quickening and widening. Family reunification cases have been resolved at an unprecedented rate. A little more than two years ago I handed Soviet Foreign Minister Shevardnadze a list of 42 cases we wanted to see resolved. Everyone of them has been resolved.

Business contacts with the Soviet Union are thriving. Canadian business leaders have been beating the path to Moscow. They report to me that the opportunities are real and that the Soviets are serious. Ten joint ventures are underway, involving Lavalin, Olympia and York, Abitibi-Price, Fracmaster, Foremost, and others, and more are in the works.

Many of you have personal experience doing business in the Soviet Union. Canadian firms are building the world's largest off-road, all terrain transporter with a Soviet partner. McDonald's of Canada will soon be serving hamburgers to Muscovites. Other Canadian companies are improving Soviet dairy herds, making tooling for the automotive industry and working in Soviet oilfields. Our geographic similarity gives us a natural opportunity to sell and buy technology and products useful in the resource and agricultural sectors.

The Government of Canada seeks new trade in both directions with the U.S.S.R. and with Eastern Europe. We will support it, and we encourage you to go for it.

As some of you will know, doing business with the East requires flexibility, patience and persistence. My Department stands ready to assist you in this process, in making contacts, obtaining data and providing follow-up.

The Prime Minister will take some senior business leaders with him to the U.S.S.R. We hope deals will be signed. But we also hope that contacts will be made and that President Gorbachev will appreciate the interest of Canadian business in his country.

I know that the changes gripping the Soviet Union, Eastern Europe and East-West relations have triggered mixed emotions among Canadians of Eastern European and Russian ancestry. Many families bear the bitter scars of unbearable experience. These wounds induce a natural scepticism, and sometimes cynicism, about the meaning of perestroika.

But I also know that there is concern for relatives and friends who remain, a desire that things improve and a hope that they will. We cannot assume that the past will persist indefinitely into the future. Certainly, where real change begins, we should encourage it.

We must steer between the extremes of euphoria and retribution. Change will not be immediate. Set-backs will occur. But we should not react, knee-jerk, to such disappointments by withdrawing into our shells, or refusing to offer our hand.

Nor should we glide into complacency, confident that the world will evolve as it should, towards harmony and prosperity without effort or vigilance. Peace must be earned; it is not given.

We have to be alert to change. Real change is occurring in the Soviet Union, reaching into other countries, holding the prospect of a transformation in East/West relations. The change is based on the realization that the Soviet system doesn't work, and must be changed. There are many risks ahead, for Mr. Gorbachev and for all of us. We must act with prudence and imagination, conscious of the probability that we are part of a genuine watershed in modern history.

With effort, sincerity - and luck - we may be on the verge of the grandest reconciliation of them all.

I ask that we join together on this remarkable journey of such epic importance to us all.

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STATEMENTS AND SPEECHES

Canada in the World

Extracts of statements by
The Right Honourable Joe Clark,
Secretary of State for External Affairs,
to the House of Commons Standing
Committee on External Affairs
and International Trade



Canada

Ottawa, Ontario

May 11, 1989

CANADA IN THE WORLD

" Some countries say things, other countries do things. Canada is a country that tries to do things. That is why we have a good reputation. We do not seek the opportunity of every crisis to make a speech or an inflammatory statement. We try to solve problems."

Joe Clark
Secretary of State
for External Affairs

MIDDLE EAST

- There are two elements to this issue that we have to be seized of. One is its complexity in the Middle East, and the other is the acute interest of Canadians, both those whose religious or personal roots are in the region and those generally who want us to play a constructive role.
- Our policy has been evolving step-by-step under governments of the Liberal and Progressive Conservative parties for some time.
- There is a particular concern about the PLO, and I made clear in my statement the apprehension that many of us feel about the extremist elements that continue to be associated with the PLO.
- Certainly the covenant and the language of the covenant are very offensive.
- I want to see the PLO disavow the covenant. I was pleased at the progress that was apparently made in the conversation between Mr. Mitterrand and Mr. Arafat in Paris, but that is not enough. That is Mr. Arafat's position, but we have to see that followed by the PLO as a body.
- My view is that we have more influence - and I do not want to exaggerate it - upon the PLO on this and other questions, having improved the level of our relations with them, than we had when it was at a lower level.
- There is a requirement on all of us to continue to keep up the pressure on I suppose what we can call the Arafat elements in the PLO. It is also very important that we contemplate what would happen within the PLO if the elements Mr. Arafat represents were failing and were unable to indicate any kind of progress in the world and the balance within that organization went to more extreme elements. I do not think that we want that to happen.

- It happened that the declaration of a Palestinian state, which we do not accept, provided us with an opportunity to make a distinction between the concept of self-determination and an actual state. We do not accept that state, nor do we accept that the result of negotiations would inevitably lead to an independent state. It might, but it might also lead to some kind of confederation with Jordan. It might lead to something that we have not contemplated. So we have not tried to define the specific content of self-determination, either in terms of territory or anything else. What we have done is try to make clear our position on the principle that the Palestinian people have a right to participate in the determination of their future.
- We are favourably disposed toward an international conference but we do not want to impose that upon the partners.

SOUTH AFRICA

- I have changed our policies very substantially with respect to exports and imports ... We have tried to tighten it up very substantially.
- Are we prepared now to introduce mandatory sanctions? Now, no, we are not.
- What we have been trying to do on sanctions is recognize that there are a lot of countries that can call for sanctions and yet there is a relatively smaller number of countries that can apply them with influence. What we have been trying to do is build some kind of critical mass on the sanctions. We have had some success in that. We have implemented all of the Commonwealth sanctions.
- There are two areas that are most worth pursuing now because they are practical and achievable. One is to try to encourage other countries -- Japan, the Community, others -- to move up to our level. The other, and it is very important, is this question of debt rescheduling ... I believe sanctions work generally, but I think that the sanction that works best is a financial sanction. We are trying to encourage more countries whose banks have more influence on these questions than ours do to limit rescheduling to an annual basis, and not to have multi-year rescheduling.
- On the ANC ... I do not think there is a country in the world that has a more productive relationship with the African National Congress than Canada does; and that is a relation that we have put in place. It is productive because we have been able to help give them status, to be in touch with them

to ensure some of the concerns they have are fitted into activities that work in the context of the Commonwealth process and others; and we have been able, I think, to help them overcome what was their major problem, which was that they were being defined for a period by "necklacing" and by an alleged association with Marxism. I think that is now part of the past.

- The ANC are not a government. They are a very important part of the solution in southern Africa. I have met with them. The Prime Minister has met with them. I continue to meet with them. I am in regular touch with them.
- We are prepared to look at ways to work with the African National Congress in a way that is consistent with Canadian policy.
- Our policy has to do with humanitarian assistance and we will certainly take a look at the requests as they relate to humanitarian assistance.
- The Commonwealth is probably the most effective instrument to keep the focus on South Africa over time ... The Commonwealth Committee of Foreign Ministers was designed to try to keep attention up. It was designed to try to do two things: honour the mandate that was given us, and I think we have been quite successful in doing that, and prepare some other recommendations that can be adopted by heads of government when they meet in Kuala Lumpur for the next meeting of the Commonwealth. We are making some progress on that.
- We are stretching our presence and diplomatic practices to the limits to be very supportive to the victims of apartheid and the opponents of apartheid in South Africa.
- We have focused on encouraging black opponents of apartheid in South Africa and that is very important, particularly coming from us, because we are not predominantly a black country ... We have introduced a number of policies - the ARMEX matter could fall in that category - that reduce contacts with white South Africans. I am going to stick to those policies until I see something better, and I am going to enlarge them.
- I have to confess to you that there are some questions in my mind. Perhaps we should be looking more actively at ways in which we can address those white South Africans who might have been complacent about apartheid. In the past they might have acquiesced in it, but now, for various reasons - their kids get conscripted, etc. - they might be starting to question that system ... I think we should be looking for ways in which to try to encourage all of the forces of opposition to apartheid in South Africa.

USSR/EAST-WEST

- It is my view that the changes taking place in the Soviet Union are the result of an idea put forward by Mr. Gorbachev, to the effect that their economic system does not work and needs an in-depth overhaul.
- I find that highly interesting, not only with regard to the Soviet Union but also concerning Vietnam, Mozambique and other countries with a Marxist economy. If that is the base for their reform, then we must encourage the development of another approach in the Soviet Union.
- There are many ways of doing this. We must encourage Canadian business to become involved. As a matter of fact, Canadians are already very much involved in the Soviet economy, especially in certain fields such as oil and certain other fields concerning the development of natural resources and forests, as well as some areas of technology. This must be encouraged.
- We must encourage Canadian expertise in the areas of management and business methods. We could promote more exchanges along these lines.
- It is urgent that we take action of this type, because I think Mr. Gorbachev is facing two challenges. One is the issue of the various nationalities in the USSR. The second is that the people of the Soviet Union are demanding to be shown that reform can work. He has said that their system does not work and he has promised a better system. The holding of elections was a profound development, but the economy is still not functioning, and Mr. Gorbachev needs some success in this area. I think we must help the Soviet leaders achieve economic success.
- There is no inconsistency at all, I think, between being very strong in our support of the NATO system that defends western political values and making an aggressive attempt to ensure that western economic values, which Mr. Gorbachev now wants to adopt, are understood and made effective in the Soviet Union. The profound change has been a recognition that their economic system does not work and that ours does.
- I think that there is an opportunity for us to instruct them in an economic system that they now recognize is superior to what they have been doing and maintain our strength and vigilance in defence of a political system that we think is profoundly superior.

- I should also say that there have been some important changes in the Soviet Union on the political side, certainly on the question of human rights. Indeed, how many of you would like to run in an election in which, simply by failing to vote, 50% of the people could say that the only name on the ballot did not get elected? That is a very profound political change and those kinds of things are happening in the Soviet Union.

FREE TRADE

- I think the free trade agreement with the United States can not only broaden Canada's capacity to trade with the rest of the world, but also help us to contribute to its economic development.

LATIN AMERICA

- The question of Latin America is urgent in our opinion, because democracy and economic stability are closely linked. There are democratic regimes in Latin America, at least for the time being. That was not customary in the past, and we cannot be sure that things will remain the same. There are some profound problems there at the moment. The problem facing these countries is exacerbated to some extent by their debt and by the need to adjust their domestic policy so as to pay off their debt.
- This is an extremely difficult issue for Latin American countries. Some Latin American leaders may try to hide behind their debt problem and use it to avoid making some essential adjustments.

UN SECURITY COUNCIL

- You do not make it work by asking it to do impossible things ... We have to regard the Security Council as an executive body which can do things that need to be done, and we should resist temptations to simply make rhetorical presentations there.
- We are not there to occupy a seat, we are not there simply to wave a flag. We are there to try to continue our work to make the United Nations more effective ... We are going to be playing an active initiative role, but I will not respond positively to every suggestion that comes, however well meaning, however much I respect the member who makes it, if I think it will lead to nothing.

ODA *

- On ODA, this country has a massive debt ... and one of the things that imposes upon us is that when we make budgetary decisions, we can choose how much we spend on ODA and we can choose how much we spend on other things.
- We cannot choose how much we spend on paying the interest on our debt. We have to spend now 32¢ of every dollar a year. It is going to be 35¢. We have to stop that because if we do not stop that then there will be nothing left to spend on ODA. Let us dwell in a real world, not some kind of a dream world. We have to deal with that problem.
- If the economy succeeds, ODA grows ... Therefore, while all Canadians have an interest in a strong economy, people who are interested in official development assistance have a particular interest in a strong economy because as the Canadian economy grows, the amount of money we are able to spend on official development assistance also grows.

CSCE *

- There have been some very important changes in the Soviet Union's attitude to human rights; there is still room for improvement, but the changes are nevertheless very important. We decided it would be better for us if the conference were held in Moscow, because this would allow us to continue applying pressure for reform. That is why we announced Canada's support. I believe Canada was the last country to accept Moscow as the place for the meeting, and we did request some changes.

* ODA: Official Development Assistance

* CSCE: Conference on Security and Cooperation in Europe

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STATEMENTS AND SPEECHES

Speech by

The Right Honourable Joe Clark,
Secretary of State for External Affairs,
to the CSCE Conference on the
Human Dimension

A faint, circular, reddish-brown stamp is visible in the lower-left quadrant of the page, partially overlapping the Canada wordmark. It appears to be an official seal or stamp, but the details are too faded to discern clearly.

Canada

Paris, France

May 30, 1989

Mr. Chairman,

I wish at the outset to express our gratitude to the Government of France for hosting this important event, and our appreciation of the efficient work of the executive secretary, M. Dessaux, and his staff in organizing this conference in a very short time.

This conference opens a new chapter in European political dialogue and in the ongoing struggle for established and recognized human rights on this continent.

Little more than four months ago, we met in Vienna to finalize the Concluding Document of the CSCE. Since then a new negotiation has been launched seeking to reduce the level of conventional forces in Europe, the most heavily armed area of the world.

Today we inaugurate the CSCE Conference on the Human Dimension, a concept without precedent in the history of Europe and the world.

In the coming weeks here we will take stock of the progress made of the many commitments in human rights, human contacts, and humanitarian cooperation we collectively agreed to in the Vienna Concluding Document. It is an opportunity not only to assess what has been done but, just as importantly, to determine how we continue on from here to ensure further progress.

France will soon celebrate the bicentennial of the French Revolution, an event of cardinal significance in our common heritage. As we reflect on the history of Europe during the two centuries since the Declaration of the Rights of Man and of the Citizen, it is evident that the quest for human rights and human dignity has been a potent and incessant impulse. Europe is more than a geographical expression, it also represents a set of values and ideas which have contributed to our common heritage. Human rights take a central place among them.

Canada is fortunate to have been profoundly influenced by several important strands of this European tradition. We inherited British parliamentary democracy evolved over the centuries from Magna Carta. We are heirs to the rich cultural and political legacy of France. Our legal system has roots in both French and British justice. We have welcomed, and continue to welcome, people from every corner of this planet, many fleeing human rights violations or political upheaval elsewhere. These new Canadians speak many languages, profess different religions, and practice varied cultures. They have enriched our heritage and embraced our freedom.

Canada has made its own special contribution to the political experience of humanity. We have demonstrated that individual freedom and national independence need not be the product of violent revolution. They can be won gradually and peacefully without sundering the voluntary ties with those with whom we share a common heritage. We have also learned by experience, occasionally bitter experience, that a nation can be built only through tolerance of different traditions and points of view, respect for the inherent dignity of all human beings, the protection of laws, and a determination to promote liberty and equality.

Canada's contributions to the growth of international respect for human rights have been anchored in these fundamental lessons of our own history.

Canada has played an active and, at times, crucial role in the development of international law in human rights. A Canadian drafted the universal declaration of human rights. Its adoption in 1948 was an event of profound significance setting in motion the development of a comprehensive international legal framework for the protection of human rights. Canada is a party to the two human rights covenants and to a host of UN and ILO treaties and conventions touching on human rights. By ratifying the optional protocol to the international covenant on civil and political rights, Canada, along with many other countries, has gone the limit in recognizing the right of individuals to plead in the court of international opinion against violations of human rights by their governments.

Our quest for the promotion of human rights has been and continues to be global. It is an objective that we have pursued bilaterally and through our membership in a vast network of multilateral organizations.

Last week, in Dakar, Senegal, as a result of a Canadian initiative, the Summit conference of La Francophonie adopted, for the first time in history, a resolution committing all its members "to call for the respect of human rights as well as respect for the right to development both within and outside our community."

Within the Commonwealth Canada has been at the centre of the battle against the institutionalized evil of South African apartheid.

Canada has been deeply committed to the human dimension of the CSCE. From the outset we stressed the importance of family reunification and freedom of movement to the development of trust and cooperation in Europe. How, we have asked repeatedly, could our people believe that we wanted to heal the divisions of Europe when we could not bring divided families together? Canada's advocacy of human rights, human contacts, and humanitarian cooperation in the CSCE has been reinforced by the anguish of ordinary people arbitrarily cut off from normal contacts with parents, sisters, brothers, children. Canada proposed at Madrid, and hosted in Ottawa, the first CSCE Experts' Meeting devoted to human rights. In many ways, it began the process that led to success at Vienna, and to this conference.

Our particular interest in the human dimension is predicated on the conviction that human freedom, and the freer flow of people, information and ideas, do not threaten any well-founded ideology, government, or social order. Instead they promote stability and security. Our efforts to this end in the CSCE have resulted in commitments that would have been unthinkable only a few years ago.

These are meaningful steps forward if they are fully implemented by all participating states. The greater the expectations that are raised, the greater the disappointment if they are unfulfilled, and the greater the international pressure to comply. Only real change where it counts, in the lives of ordinary people, can provide a firm foundation for lasting progress in the dismantling of barriers, in the building of real and mutual confidence and trust.

It has been only months since the success of the Vienna conference. It may be unrealistic to expect that all good intentions have been fulfilled, all provisions fully complied with. But we have had time enough that we can take stock, ask who has taken steps in the right direction, who has stood still, who has moved backwards in implementing their Vienna commitments. With this we can set our course for the next conference, in Copenhagen, in less than a year. Then it will be fair to expect full compliance with all provisions by all participating states. By then the required laws, procedures, and practices can be in place. By then we will be able to measure progress in the difficult but vital task of confronting and changing the attitudes, habits, prejudices and fears that stand in the way of fulfilling our aspirations in human rights. At Copenhagen, we will see whether we have truly ushered in a new era in European history.

Already there has been enough progress in certain areas to confirm that the expectations of Vienna were realistic. On the issue of family reunification, I am pleased to say that Canada now has no outstanding cases with Hungary, Poland and the Soviet Union. With three other countries the numbers are greatly reduced. With only one country Romania, do we continue to have a large and even growing number of cases.

We know that this is not yet the end of the story; thousands of people in several countries continue to be arbitrarily prevented from leaving their country or are punished or harassed for wanting to do so. But we have seen progress and we can only encourage those governments to liberalize their laws and procedures.

When we meet again in Copenhagen, we ought to be able to say that the need for governments to intercede to allow people to be reunited with their families can be regarded as only a past chapter of history.

Another welcome new development has been that persons and organizations outside of government are increasingly free to take an active role in promoting human rights within their own countries. Some countries are so represented for the first time here. A few years ago, some of those here today, would certainly not have been allowed to leave their country to attend a meeting such as this. We salute this progress, but we also note its fragility. We urge these countries to establish a firm legal framework to ensure that the activities of such people and their ability to have contacts outside their country, will not depend on the capricious vagaries of the intermittent goodwill of government or the arbitrary judgment of officials.

Paris was the cradle of the French Revolution. It is also the city of light. In recent months we have seen the light of reform flood into formerly dark corners of Europe. We have seen the awakening of ideas of freedom where it had been suppressed.

In Poland the Round Table Agreement between the government and the solidarity movement has refreshed the hope for human rights and progress towards democracy.

In Hungary the tearing down of fenced barriers to the West has been accompanied by expanding economic and political pluralism and freedom.

And in the Soviet Union we have seen remarkable elections. Elections in which party officials were soundly defeated. Elections where some victors would have been imprisoned only a few years ago for their advocacy of their heretical views. And last week many of us watched with some wonder as Andrei Sakharov, not long ago an exile in his own land, took the podium to publicly criticize the watching leader of the Soviet Union.

We look forward to the legal and constitutional reforms which will firmly secure the rule of law in the Soviet Union and work towards the fulfillment of the human rights obligations that its government has agreed.

We will continue to respond, constructively we hope, to any action or policy that we believe to run counter to the achievement of these fundamental aspirations. We shall watch closely, offer encouragement and wish the Soviet Union every success.

There are, unfortunately, some countries whose record has not matched their Vienna commitments. They have continued to repress critics, to prevent free movement, to punish the relatives of those who have allegedly left a country "illegally", to suppress information, and to argue that the right to deny their people basic freedoms is an attribute of state sovereignty. These politics are outmoded and unacceptable. These countries must be persuaded to join the rest of Europe on the path to renewal and reform.

One of them is Bulgaria, its treatment of its Turkish minority population is cause for particular concern. We very much hope that Bulgaria will abide by its CSCE obligations in bringing this issue to a prompt and acceptable resolution.

Another country, Romania, has formally declared that it is not bound by the important new human dimension undertakings in the Vienna Concluding Document. Yet these are obligations to which it joined in the consensus. Romania has defied all attempts to engage in dialogue using procedures established by that document. It has, in short, openly and conspicuously violated important elements of the Vienna Concluding Document. It has continued, with increasing heavy-handedness, to ignore the fundamental rights and freedoms of large numbers of its people. It justifies this conduct on the grounds that it is adhering to a purer concept of the CSCE principles than are all the other participating states.

This is not the place to discuss Romania's arguments, other than to say that we reject them totally. It is up to Romania to decide whether it wishes to participate in our collective search for new norms and dialogue benefitting our people and the peace and security of Europe.

Its alternative is to continue in its lonely and discredited human rights policies under the smokescreen of allegiance to principle.

Mr. Chairman, this is a time in the history of Europe when many things are possible. Fundamental assumptions are being challenged. The policies of decades are being rethought. The global perspectives of leaders and citizens alike are being changed.

The CSCE continues to be particularly suited to play a key role. Its all-embracing mandate, its ability to respond to a changing environment, its lack of institutional structure, have enabled it to evolve and grow and to continue to serve the needs of the participating states.

In the human dimension, our first task is to realize the promise of Vienna. Progress will not come of itself. There are hard choices for some of us to make. Some of us have serious continuing problems to be addressed, and laws, and practices, and procedures that must be changed. Our dialogue will intensify, not diminish, as this process continues. Issues must be faced squarely; problems must be discussed candidly.

We must all work together to encourage change and maximize the benefits of cooperation, but we must never compromise the standards we have set for ourselves.

What we need to achieve here, and what the many who are watching our deliberations will expect from us, is a renewed commitment to progress in the human dimension, a redoubled effort to implement our Vienna commitments, a clear determination that progress in the human dimension will keep pace with changes in other areas of the CSCE and reinforce the search for confidence and stability.

We have said many times that we do not seek to impose our ideology or our political system on anyone. What we seek is a secure and stable Europe in which people will be free to speak, to travel, to worship; where minority cultures and traditions are nurtured, protected, and freely practised; where the arbitrary exercise of state authority is curbed by the rule of law; and where trust and confidence grow with dialogue and the freer movement of people, information and ideas. This was the dream of those who wrote the Declaration of the Rights of Man and of the Citizen; it is the attainable objective of all Europe today.

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Canada

STATEMENTS AND SPEECHES

Statement by

The Honourable John Crosbie,

Minister for International Trade,

to the O.E.C.D. Ministerial Meeting

Canada

Paris, France

May 31, 1989

MR. CHAIRMAN, AS WE MEET TODAY WE CAN TAKE SATISFACTION FROM A SEVENTH CONSECUTIVE YEAR OF ECONOMIC EXPANSION FEATURING STRONG GROWTH IN INVESTMENT, INTERNATIONAL TRADE AND GROSS DOMESTIC PRODUCT. HOWEVER, THIS FAVOURABLE ECONOMIC CLIMATE IS NOT WITHOUT THREATENING CLOUDS ON THE HORIZON, AND I SHOULD LIKE TO SHARE SOME THOUGHTS WITH YOU AS TO CERTAIN ISSUES AND CHALLENGES WHICH WILL REQUIRE OUR CONCERTED ATTENTION AND LEADERSHIP IF WE ARE TO CONSOLIDATE AND BUILD UPON THE ECONOMIC GAINS OF THE RECENT PAST.

FIRST WE MUST REMAIN VIGILANT TO THE DANGERS OF INFLATION AND CONTINUE TO CONTROL IT IN A MANNER WHICH WILL ENABLE US TO SUSTAIN ECONOMIC GROWTH. ANOTHER MAJOR CHALLENGE IS THE ENORMOUS GLOBAL IMBALANCES THAT HAVE PERSISTED IN RECENT YEARS. OECD COUNTRIES WILL HAVE TO FOLLOW THROUGH ON THEIR POLICY COMMITMENTS AND EFFECT THE NECESSARY ECONOMIC ADJUSTMENTS IF WE ARE TO DEAL FORCEFULLY WITH THE PROBLEMS ASSOCIATED WITH THESE IMBALANCES. LEADERSHIP BY OECD COUNTRIES IN DEALING WITH THESE MACROECONOMIC PROBLEMS WILL SERVE AS AN EXAMPLE TO OTHERS IN ADDRESSING THE ISSUES WHICH AFFECT THE GLOBAL TRADING SYSTEM. BUT BY LEADERSHIP I REFER TO ACTIONS FOCUSSED ON DOING WHAT HAS TO BE DONE, NOT ON WHAT IS EASY AND POPULAR.

AS REPRESENTATIVES OF MOST OF THE MAJOR TRADING NATIONS OF THE WORLD, WE HAVE A PARTICULAR RESPONSIBILITY TO ADDRESS THREE MAJOR OBJECTIVES WHICH I BELIEVE PROVIDE BOTH OPPORTUNITIES AND THREATS TO THE GLOBAL TRADING SYSTEM. THESE ARE:

- 1) TO COMMIT OURSELVES TO AVOID TAKING ACTIONS WHICH WEAKEN THE OPEN MULTILATERAL TRADING SYSTEM, AND IN PARTICULAR TO AVOID RESORTING TO UNILATERAL MEASURES,
- 2) TO REAFFIRM OUR COMMON GOAL OF A SUCCESSFUL CONCLUSION OF THE URUGUAY ROUND BY THE END OF 1990, AND
- 3) TO ENSURE THAT DEVELOPMENTS IN REGIONAL ECONOMIC COOPERATION SERVE TO CREATE AND LIBERALIZE TRADE.

THE FUTURE LIES IN A STRENGTHENED AND LIBERALIZED MULTILATERAL TRADING SYSTEM WHICH WOULD CONTINUE TO BE AN ENGINE FOR ECONOMIC GROWTH, EFFICIENCY AND TECHNOLOGICAL DEVELOPMENT. NOT TO FOLLOW MULTILATERAL PRINCIPLES IS TO RUN THE RISK OF REGRESSION INTO PROTECTIONISM, BILATERALISM, SECTORALISM AND MANAGED TRADE. WE MUST ENSURE THAT WE DO NOT REGRESS INTO PROTECTIONISM BUT THAT WE CONTINUE TO FOLLOW MULTILATERAL PRINCIPLES.

THE SINGLE MOST PERVASIVE CHARACTERISTIC OF THE GLOBAL TRADING SYSTEM TODAY IS THE PACE OF CHANGE AND THE UNCERTAINTY ABOUT THE FUTURE AND ABOUT THE CONDITIONS IN WHICH TRADE WILL TAKE PLACE. SUCH UNCERTAINTY INCREASES THE RISKS OF ERROR IN DECISION-MAKING BOTH BY GOVERNMENTS AND ENTERPRISES, AND HOLDS THE POTENTIAL FOR DESTABILIZING OUR ECONOMIES. TO MAINTAIN THE HEALTH OF THE MULTILATERAL TRADING SYSTEM, THE KEY IS TO ESTABLISH PREDICTABLE CONDITIONS UNDER WHICH INTERNATIONAL TRADE CAN TAKE PLACE. THIS IS ALSO THE KEY TO RESISTING PROTECTIONISM.

AMONG THE OECD COUNTRIES, CANADA IS ONE OF THE MOST DEPENDENT ON INTERNATIONAL TRADE. EARNINGS FROM TRADE ACCOUNT FOR OVER ONE QUARTER OF OUR GNP. WITH ABOUT THREE-QUARTERS OF OUR EXPORTS GOING TO THE USA, CANADA'S ECONOMIC AND TRADE RELATIONS WITH USA ARE AN ISSUE OF VITAL IMPORTANCE.

IN THIS REGARD, A CRITICAL POLICY OBJECTIVE UNDERLYING THE CANADA-U.S. FREE TRADE AGREEMENT IS TO SUPPORT THE OPEN MULTILATERAL TRADING SYSTEM, AND TO GIVE IMPETUS TO THE LIBERALIZING EFFORTS OF THE URUGUAY ROUND. WE HOLD TO THIS OBJECTIVE AND BELIEVE THAT OUR EFFORTS UNDER THE CANADA/US FREE TRADE AGREEMENT WILL STRENGTHEN THE INTERNATIONAL TRADING SYSTEM.

AMONG OTHER DEVELOPMENTS, WE SEE EMERGING A MORE INTEGRATED EUROPEAN COMMUNITY. WE HOPE AND EXPECT THAT EUROPE 1992 WILL LEAD TO INCREASED TRADE, INVESTMENT OPPORTUNITIES, AND GROWTH FOR ALL. FURTHER EUROPEAN ECONOMIC INTEGRATION CAN MAKE A SIGNIFICANT CONTRIBUTION TO GLOBAL TRADE LIBERALIZATION, IF THE WILL IS THERE TO MAKE IT HAPPEN.

FOR THE SAME REASON, CANADA SUPPORTS INITIATIVES TOWARDS THE CREATION OF ARRANGEMENTS TO ENABLE THE COUNTRIES OF THE PACIFIC TO CONSULT ON ECONOMIC MATTERS AFFECTING THE AREA. WE SEE GREAT TRADE AND INVESTMENT OPPORTUNITIES IN THE EVOLUTION OF THE DYNAMIC ECONOMIES OF THE ASIA-PACIFIC REGION. CONSULTATION AMONG PACIFIC COUNTRIES COULD PROVIDE THE BASIS FOR GREATER COOPERATION ON REGIONAL ECONOMIC CONCERNS AND FOR COMMON APPROACHES TO ADJUSTMENT.

THOUGH SUCH DEVELOPMENTS AS EUROPE 1992 AND INCREASED COOPERATION IN THE ASIA-PACIFIC REGION HOLD MUCH PROMISE, THEY ALSO RAISE CONCERNS - AS THE OECD HAS POINTED OUT. OECD MEMBERS AND, INDEED, ALL COUNTRIES HAVE AN OBLIGATION TO ENSURE THAT THE WORLD TRADING SYSTEM DOES

NOT BECOME FRAGMENTED INTO REGIONAL TRADING BLOCKS THAT ERECT TRADE BARRIERS AGAINST OUTSIDERS. I URGE OECD MEMBER COUNTRIES TO AFFIRM AND IMPLEMENT SUCH A COMMITMENT IN RESPECT OF ANY REGIONAL ARRANGEMENT INVOLVING OECD MEMBERS.

I HAVE SPOKEN ABOUT THE MAJOR OBJECTIVES THAT ARE BEFORE US. THEY ARE TIED TO ONE OVERWHELMING CHALLENGE TO THE INTERNATIONAL TRADING SYSTEM - NAMELY RESISTING PROTECTIONISM, IN ANY FORM. IN THE SHORT TERM, SUCCUMBING TO PROTECTIONIST PRESSURES IS AN ATTRACTIVELY EASY SOLUTION - PARTICULARLY IN DEMOCRACIES - AS THE CONCERNS OF DOMESTIC LOBBY GROUPS ARE SATISFIED. BUT PROTECTIONIST ACTIONS ONLY TEMPORARILY DEAL WITH THE SYMPTOMS AND NOT WITH THE UNDERLYING CAUSES. THEY IMPEDE THE DYNAMIC PROCESS OF ADAPTING TO INTERNATIONAL ECONOMIC CHANGE, OF ECONOMIC ADJUSTMENT. TO COUNTER PROTECTIONISM, WE MUST PURSUE POLICIES TO PROMOTE GREATER PRODUCTIVITY AND INTERNATIONAL COMPETITIVENESS. SPECIFICALLY, IT IS OF CRITICAL IMPORTANCE THAT WE ACHIEVE SUBSTANTIVE RESULTS IN THE CURRENT ROUND OF MULTILATERAL TRADE NEGOTIATIONS UNDER THE GATT.

THE DIFFICULTIES WE EXPERIENCED IN REACHING CONSENSUS AT THE MONTREAL MID-TERM MINISTERIAL MEETING DEMONSTRATE THE NEED FOR SUSTAINED POLITICAL SUPPORT IF SUCCESS IS TO CROWN THE URUGUAY ROUND. THE ADVOCACY AND COMMITMENT OF OECD MINISTERS TO THE MTN IS ESSENTIAL IF WE ARE TO AVOID A FRACTURED WORLD TRADING SYSTEM. OUR LEADERSHIP IS REQUIRED IN ORDER TO BUILD ON THE POSITIVE OUTCOME OF THE MID-TERM REVIEW, TO ADDRESS THE SYSTEMIC PROBLEMS WHICH FACE LIBERALIZED TRADE WORLDWIDE, AND TO RESIST PRESSURES WHICH COULD UNDERMINE MULTILATERALISM, OUR CREDIBILITY AND, ULTIMATELY, OUR ECONOMIC WELL-BEING.

FOR THE URUGUAY ROUND TO BE A SUCCESS, WE BELIEVE THE FOLLOWING MUST BE ACHIEVED:

- THE GATT MUST BE STRENGTHENED IN A NUMBER OF TRADITIONAL AREAS SUCH AS IMPROVED ACCESS TO MARKETS AND SO THAT WE CAN BUILD ON THE ACHIEVEMENTS OF EARLIER NEGOTIATING ROUNDS;
- ITS DISPUTE SETTLEMENT AND ENFORCEMENT MECHANISMS MUST BE IMPROVED;

- ITS PROVISIONS MUST BE EXTENDED TO NEW AREAS SUCH AS SERVICES AND INTELLECTUAL PROPERTY; AND
- MULTILATERAL DISCIPLINES MUST BE APPLIED TO TRADE IN AGRICULTURAL PRODUCTS.

ON THIS LAST POINT, CANADA COMMENDS THE OECD FOR FOCUSSED ATTENTION ON THE NEED FOR REFORM IN AGRICULTURAL TRADE. IT IS NECESSARY, HOWEVER, FOR GOVERNMENTS TO MAINTAIN AND REINFORCE THEIR COMMITMENT TO THIS EFFORT, AND TO ENSURE THAT IT IS TRANSLATED INTO ACTION IN THE MULTILATERAL TRADE NEGOTIATIONS.

WHAT WE ARE ATTEMPTING TO ACHIEVE IN THIS ROUND OF MULTILATERAL TRADE NEGOTIATIONS IS TO REFORM AND STRENGTHEN THE GATT SO AS TO ENABLE IT TO ADDRESS CONTEMPORARY TRADE ISSUES. FOR YEARS THE GATT HAS SERVED AS AN AGENT OF PROGRESS IN WORLD TRADE AND IN THE GLOBAL ECONOMY. FOR IT TO CONTINUE IN THIS ROLE WE REQUIRE EFFECTIVE COMMITMENT AND POLITICAL WILL BY ALL COUNTRIES; AND IT IS THEREFORE CRUCIAL THAT WE ALL DIRECT OUR NEGOTIATORS TO PROCEED WITH THE MTN IN AN URGENT MANNER, SO THAT WE CAN COMPLETE THE URUGUAY ROUND SUCCESSFULLY BY THE END OF 1990.

UNTIL THIS MILESTONE IS REACHED, IT IS IMPORTANT TO RECOGNIZE THAT THE INTERNATIONAL TRADING SYSTEM WHICH WE ARE ENDEAVOURING TO STRENGTHEN COULD BE IRREPARABLY DAMAGED BY CAPITULATION TO DOMESTIC PRESSURES WHICH INCITE UNILATERAL ACTIONS OUTSIDE THE GATT. WE SHOULD NOT FORGET THAT TRADE PLAYS A CRITICAL ROLE IN THE PROCESS OF INDUSTRIAL ADJUSTMENT AND TECHNOLOGICAL ADAPTATION WHICH IS CENTRAL TO ECONOMIC EFFICIENCY AND COMPETITIVENESS.

PROTECTIONIST PRESSURES AND THE TRADE RESTRICTIVE PRACTICES TO WHICH THEY GIVE RISE ARE NOT UNIQUE TO ANY ONE COUNTRY. AMBIGUOUSLY DEFINED CONCEPTS OF RECIPROCITY, FAIRNESS AND MANAGED TRADE COMPROMISE THE WORKINGS OF THIS INTER-RELATIONSHIP AND MUST BE OPPOSED.

YET, AS NATIONS ATTEMPT TO GRAPPLE WITH PERSISTENT TRADE IMBALANCES AND STRUCTURAL DIFFICULTIES, DOMESTIC PRESSURES FOR PROTECTIONIST MEASURES ARE GROWING. THE PURSUIT OF SOLUTIONS TO TRADE PROBLEMS ALL TOO OFTEN YIELDS UNILATERAL MEASURES WHICH DO NOT ACCORD WELL WITH INTERNATIONAL TRADE RULES. THE MOST IMMEDIATELY PROMINENT OF THESE IS SECTION 301 OF THE U.S. TRADE ACT WHOSE REQUIREMENT FOR MANDATORY ACTION IMPLIES A LACK OF

FAITH IN THE MULTILATERAL TRADING SYSTEM, AND COULD HAVE AN EXTREMELY DAMAGING EFFECT ON THE GLOBAL TRADING SYSTEM AND THUS ON THE SUCCESS OF THE MTN. NO COUNTRY HAS A MONOPOLY OF RIGHTEOUS INDIGNATION WHEN IT COMES TO INTERNATIONAL TRADE. ACCORDINGLY, WE AGAIN URGE THE UNITED STATES ADMINISTRATION TO RESIST INTERNAL PRESSURES FOR UNILATERAL ACTION, AND TO PROCEED IN A MANNER WHICH IS CONSISTENT WITH ITS INTERNATIONAL OBLIGATIONS. THIS IS ESPECIALLY APPLICABLE TO THE DISPUTE-SETTLEMENT MECHANISM WHICH IS THE CORNERSTONE OF THE GATT. THIS IS AN AREA WHERE SIGNIFICANT IMPROVEMENTS HAVE BEEN MADE, BUT WHERE MUCH REMAINS TO BE DONE. WE MUST ALL MAKE EVERY EFFORT TO IMPROVE AND STRENGTHEN THE DISPUTE SETTLEMENT MECHANISM THROUGH THE ADOPTION OF PANEL REPORTS AND THE IMPLEMENTATION OF PANEL FINDINGS.

BEFORE CONCLUDING I SHOULD ALSO LIKE TO COMMENT ON TWO SPECIFIC ISSUES: EXPORT FINANCING; AND THE ENVIRONMENT, PARTICULARLY IN THE AREA OF FISHERIES PRACTICES.

EXPORT FINANCING IS ANOTHER ISSUE DIRECTLY RELEVANT TO INTERNATIONAL TRADE. IT IS IMPORTANT TO NOTE THAT, DESPITE PROGRESS IN STRENGTHENING INTERNATIONAL

DISCIPLINE IN RESPECT OF SUBSIDIZED OFFICIALLY-SUPPORTED EXPORT FINANCING, BOTH THE VOLUME AND THE TRADE AND AID DISTORTING IMPACT OF THESE SUBSIDIES ARE RISING AMONG OECD COUNTRIES. OECD STATISTICS INDICATE A CONTINUING INCREASE IN THE NOTIFICATIONS OF SUCH TRANSACTIONS. THIS IS A MATTER OF CONSIDERABLE CONCERN FOR CANADA. IN OUR VIEW, MORE EFFECTIVE DISCIPLINE UNDER THE EXPORT CREDIT CONSENSUS ARRANGEMENT AND IN THE DEVELOPMENT ASSISTANCE COMMITTEE IS NECESSARY TO PREVENT THE PROBLEM FROM BECOMING UNMANAGEABLE. THIS MINISTERIAL MEETING SHOULD ENSURE THAT WE KEEP MOVING AHEAD ON THIS IMPORTANT ISSUE.

I KNOW THAT MY COLLEAGUE, THE SECRETARY OF STATE FOR EXTERNAL AFFAIRS, WILL BE ADDRESSING THE ISSUE OF THE ENVIRONMENT MORE SPECIFICALLY. HOWEVER, I WISH ALSO TO RAISE SOME CONCERNS ABOUT THE ENVIRONMENT AND CONSERVATION.

THE UNITED NATIONS HAS ENDORSED THE CONCEPT OF SUSTAINABLE DEVELOPMENT AS ADVOCATED BY THE WORLD COMMISSION ON ENVIRONMENT AND DEVELOPMENT. THE BRUNDTLAND COMMISSION RIGHTLY STRESSED THE IMPORTANCE OF STRENGTHENING INTERNATIONAL AGREEMENTS TO PREVENT OVER-EXPLOITATION OF RESOURCES AND OTHER DANGEROUS PRACTICES. THE OECD COULD PLAY A USEFUL ROLE IN

FURTHERING THESE OBJECTIVES BY STUDYING THE ECONOMIC COSTS OF SUCH PRACTICES. IN THIS RESPECT, THE RESOURCES OF OUR FISHERIES MUST BE EFFECTIVELY HUSBANDED. FAILURE TO ACHIEVE PROGRESS IN THE AREA OF CONSERVATION WILL HAVE A SIGNIFICANT IMPACT ON THE FISHING INDUSTRIES OF ALL OECD COUNTRIES.

CANADA HAS BEEN INCREASINGLY CONCERNED BY THE EVER PRESENT DANGER OF OVER-EXPLOITATION OF THE FISH RESOURCE, ESPECIALLY IN THE NORTH-WEST ATLANTIC. WE ALSO HAVE BEEN ALARMED BY THE SPREADING USE OF DESTRUCTIVE FISHING GEAR TECHNOLOGY SUCH AS PACIFIC DRIFTNETS. SUCH PRACTICES ARE INCONSISTENT WITH RATIONAL MANAGEMENT AND PROTECTION OF FISH STOCKS AND THEIR BIOLOGICAL HABITATS.

AS I HAVE MENTIONED BEFORE, THE ONLY SOLUTION TO THE PROBLEMS OF OVERFISHING IS A BROAD MULTILATERAL ONE. WE ENCOURAGE THE OECD TO LEND ITS EFFORTS TO FINDING SUCH A SOLUTION.

TO CONCLUDE AND SUMMARIZE, MR. CHAIRMAN, THIS MINISTERIAL MEETING PROVIDES AN OPPORTUNITY TO ACKNOWLEDGE OUR JOINT AND INDIVIDUAL RESPONSIBILITIES AS GUARANTORS OF

A VIABLE MULTILATERAL TRADING SYSTEM, AND TO RE-AFFIRM OUR COMMITMENT TO THE CONDUCT OF OUR TRADE POLICIES WITHIN, AND SUPPORTIVE OF, ESTABLISHED INTERNATIONAL TRADE RULES.

I HAVE OFFERED SOME OBSERVATIONS ON A NUMBER OF THE CHALLENGES BEFORE US, AND ON THOSE ISSUES WHERE LEADERSHIP MUST BE ASSUMED BY OECD MINISTERS. TRADE IS A PRIME INSTIGATOR OF ECONOMIC GROWTH - IN IMPORTANT PART THROUGH ITS CONTRIBUTION TO STRUCTURAL ADJUSTMENT - AND FURTHER LIBERALIZATION IS REQUIRED FOR IT TO BE ABLE TO FULFILL ITS FULL POTENTIAL IN THIS REGARD. TO SEE THIS POTENTIAL REALIZED, WE MUST SHOW LEADERSHIP IN ENGINEERING A SUCCESSFUL AND SUBSTANTIVE CONCLUSION TO THE URUGUAY ROUND BY THE END OF 1990, AND IN RENOUNCING THE USE OF UNILATERAL MEASURES INCONSISTENT WITH THE GATT WHICH WOULD COMPROMISE THIS OBJECTIVE.

I WOULD HOPE, THEREFORE, THAT THE RESULTS OF THIS MEETING, AS REFLECTED BY THE COMMUNIQUE, WILL ENDORSE THESE THOUGHTS AND THAT WE WILL ALL LEAVE PARIS DETERMINED TO HONOUR THEM.

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STATEMENTS AND SPEECHES

Statement by

The Right Honourable Joe Clark,
Secretary of State for External Affairs,
to the O.E.C.D. Ministerial Meeting

Canada

Paris, France

June 1, 1989

EVERY DAY THE FACE OF THE WORLD IS TRANSFORMED - POLITICALLY, ECONOMICALLY AND PHYSICALLY. AT TIMES, CHANGE IS ABRUPT AND CONSPICUOUS. MORE OFTEN IT IS EVIDENT ONLY WITH THE PASSAGE OF TIME. WE WELCOME IT FOR THE BENEFITS IT CAN BRING BUT FEAR IT FOR THE HAZARDS IT CAN POSE.

HOW CAN WE NOT WELCOME THE DIMINISHED TENSIONS BETWEEN EAST AND WEST OR THE STRENGTH OF THE DEMOCRATIC IMPULSE WE SEE GROWING IN THIS CONTINENT? HOW CAN WE NOT WELCOME THE DYNAMISM AND COMMERCIAL SUCCESS OF THE NEWLY INDUSTRIALIZING ECONOMIES OF ASIA AND THE PACIFIC?

SIMULTANEOUSLY THOUGH, WE ARE JUSTIFIABLY CONCERNED BY THE INCREASINGLY EVIDENT DAMAGE INFLICTED ON OUR ECOSYSTEM AND BY THE THREAT TO DEMOCRACY IN DEBT-BURDENED NATIONS OF THE THIRD WORLD.

WELCOME OR NOT, RAPID OR SLOW, CHANGE IS INEVITABLE. WHAT IS NOT IS HOW WE RESPOND TO IT. CHANGE CHALLENGES US ALL, AS INDIVIDUALS, AS GOVERNMENTS, AS MEMBERS OF INTERNATIONAL INSTITUTIONS SUCH AS THIS ONE. RESPONDING EFFECTIVELY DEMANDS OF US IMAGINATION, INNOVATION AND INITIATIVE AND MORE THAN EVER GLOBAL INTERDEPENDENCE REQUIRES US TO RESPOND COLLECTIVELY SO THAT WE MIGHT TOGETHER MANAGE PROBLEMS BEYOND THE CAPACITY OF ANY ONE GOVERNMENT TO RESOLVE SUCCESSFULLY.

THE OECD HAS A SIGNIFICANT PART TO PLAY IN HELPING ITS MEMBERS CONFRONT THE CHANGES AHEAD. IT MUST BE OPEN AND DYNAMIC, ABLE TO HELP US CONTEND WITH THE DEVELOPMENTS BEYOND OUR OWN BORDERS. AS AN INSTITUTION, IT CAN SERVE AS THE FOCAL POINT FOR OUR COOPERATIVE EFFORTS WITH THE REST OF THE INTERNATIONAL COMMUNITY.

ONE OF OUR MOST OBVIOUS COOPERATIVE CHALLENGES CENTRES ON THE COUNTRIES OF THE DEVELOPING WORLD. THE TASK OF MANAGING OUR RELATIONS WITH THEM IS COMPLEX, DIFFICULT AND PRESSING.

AS DEVELOPING COUNTRIES ACHIEVE ECONOMIC PROGRESS, THEY BECOME MORE ACTIVE TRADING PARTNERS BUT IF THEY CANNOT SERVICE THEIR EXTERNAL DEBT, THERE ARE IMMEDIATE AND DIRECT FINANCIAL CONSEQUENCES FOR CREDITOR GOVERNMENTS AND INSTITUTIONS, AND FOR AN IMPORTANT PART OF OUR INTERNATIONAL TRADE.

IF DEVELOPING COUNTRIES HAVE DIFFICULTIES IN SAFEGUARDING THEIR PHYSICAL ENVIRONMENT, WE TOO WILL SUFFER THE IMPACT. THE FACT THEY BELIEVE THEY CANNOT FOLLOW APPROPRIATE ENVIRONMENT POLICIES MEANS THEIR POTENTIAL FOR ECONOMIC DEVELOPMENT IS IMPAIRED AND HAS ENVIRONMENTAL AND ECONOMIC CONSEQUENCES AFFECTING ALL OF US.

AND IF WE ARE UNABLE TO COOPERATE AS WE MUST TO ENSURE A GROWING, STABLE WORLD ECONOMY, WITH OPEN MARKETS, OUR DEVELOPMENT ASSISTANCE PROGRAMS AND THE EFFORTS OF DEVELOPING COUNTRIES THEMSELVES WILL HAVE LITTLE SUSTAINED BENEFIT.

THE OECD'S DEVELOPMENT ASSISTANCE COMMITTEE PERFORMS A VITAL ROLE IN MAINTAINING THE VOLUME AND QUALITY OF OUR ASSISTANCE. IT ALSO OBLIGES US TO REFLECT MORE FULLY ON THE ROLE OF OUR AID PROGRAMS AND POLICIES IN PROMOTING DEVELOPMENT. SO WE WELCOME THE COMMITTEE'S WORK TO SITUATE OUR DEVELOPMENT COOPERATION EFFORT IN THE CONTEXT OF THE CHALLENGES THAT FACE US IN THE 1990S AND LOOK FORWARD TO SEEING THE RESULTS OF THIS WORK AT NEXT YEAR'S MEETING.

THE INITIAL RESULTS OF THE DAC ANALYSIS ARE CONSISTENT WITH CANADIAN POLICY, AS SET OUT IN OUR AID STRATEGY PUBLISHED LAST YEAR.

ONE OF THE PRINCIPAL CONCLUSIONS OF CANADA'S AID REVIEW IS THAT WE HAVE TO SUPPORT THE POLICIES AND PROGRAMS THAT DEVELOPING COUNTRIES THEMSELVES ARE UNDERTAKING.

LONG TERM DEVELOPMENT AND GROWTH IN THE DEVELOPING COUNTRIES MUST BE BASED ON SOUND NATIONAL ECONOMIC POLICIES. SUCH POLICIES MUST IMPROVE EFFICIENCY IN THE ECONOMY, PROMOTE DOMESTIC SAVINGS AND ATTRACT THE FOREIGN INVESTMENT WHICH ARE SO IMPORTANT TO FINANCING DEVELOPMENT.

NOT ONLY MUST WE ENCOURAGE SUCH POLICIES, WE HAVE TO BE PREPARED TO PROVIDE THE SUPPORT NEEDED TO ASSIST COUNTRIES IN IMPLEMENTING THEM.

POLICY REFORM MUST BE NOT ONLY ECONOMICALLY SOUND BUT SOCIALLY SUSTAINABLE AS WELL. ACCORDINGLY, SOCIAL CONSIDERATIONS HAVE TO BE INTEGRATED INTO THE POLICY FORMULATION PROCESS. THE WORLD BANK, THE IMF AND THIS ORGANIZATION HAVE BECOME INCREASINGLY AWARE OF THIS FACT AND ARE NOW TAKING IT INTO ACCOUNT IN THEIR CURRENT WORK. THAT IS WELCOME AND SHOULD BE CONTINUED.

WITH DOMESTIC ECONOMIC REFORMS, APPROPRIATELY SUPPORTED, INDEBTED DEVELOPING COUNTRIES CAN BEGIN TO SEE SOME END OF A VERY DIFFICULT ROAD BUT WE CLEARLY HAVE TO LOOK AT EACH COUNTRY'S CIRCUMSTANCES, RECOGNIZING THAT THE PRECISE SOLUTIONS TO THE DEBT AND DEVELOPMENT PROBLEM MAY DIFFER FROM ONE TO ANOTHER.

FOR MIDDLE-INCOME DEVELOPING COUNTRIES, THE AGREED FOCUS IS ON DEALING WITH THE VOLUNTARY AND MARKET-ORIENTED REDUCTION OF COMMERCIAL BANK DEBT.

FOR THE POOREST OF THE POOR, GOVERNMENTS HAVE BEEN PREPARED TO PLAY A STRONGER ROLE BECAUSE THEIR DEBT IS LARGELY RELATED TO OFFICIAL LOANS OWED TO GOVERNMENTS OF INDUSTRIALIZED COUNTRIES. THE RESCHEDULING IN THE PARIS CLUB, UNDER WHAT ARE KNOWN AS THE "TORONTO TERMS", AND THE SPECIAL SUPPORT GROUP EFFORT FOR GUYANA, WHICH CANADA CHAIRED, HAVE BEEN INNOVATIVE AND USEFUL. BUT CLEARLY WE NEED TO REMAIN OPEN TO NEW IDEAS, PARTICULARLY SO IN THOSE AREAS WHERE GOVERNMENTS CAN PLAY A SIGNIFICANT ROLE.

OFFICIAL DEVELOPMENT ASSISTANCE (ODA) DEBT MAY WELL BE ONE SUCH AREA. MANY COUNTRIES, INCLUDING CANADA, HAVE ALREADY FORGIVEN THE ODA DEBTS OF THE LEAST DEVELOPED COUNTRIES. SOME, AGAIN INCLUDING CANADA, HAVE TAKEN SIMILAR MEASURES FOR A NUMBER OF COUNTRIES IN SUB-SAHARAN AFRICA. WE URGE OTHER COUNTRIES TO CONSIDER SIMILAR ACTIONS.

BUT DEBT MANAGEMENT TECHNIQUES ARE NOT IN THEMSELVES SUFFICIENT TO GUARANTEE SUCCESS IN THE GROWTH PROCESS. GLOBAL ECONOMIC CONDITIONS HAVE TO BE MADE MORE CONDUCIVE TO DEVELOPMENT OVER THE LONGER TERM.

IN THAT RESPECT, THE FUNDAMENTAL CONTRIBUTION OF INDUSTRIALIZED COUNTRIES TO DEVELOPMENT IS TO HELP ENSURE AN OPEN, GROWING AND STABLE WORLD ECONOMY IN WHICH DEVELOPING COUNTRIES CAN BECOME ACTIVE PARTICIPANTS. THIS WAS ANOTHER BASIC CONCLUSION OF OUR AID POLICY REVIEW.

OFFICIAL DEVELOPMENT ASSISTANCE IS, AFTER ALL, A RATHER SMALL PART OF THE TOTAL DEVELOPMENT PICTURE. GOOD FISCAL AND MONETARY POLICIES IN THE INDUSTRIALIZED COUNTRIES, FOR EXAMPLE, CONTRIBUTE TO THE REDUCTION OF INTEREST RATES AND TO INCREASED SAVINGS. A MORE LIBERAL MULTILATERAL TRADING SYSTEM WILL BENEFIT DEVELOPING COUNTRIES IF IT OPENS MARKETS FOR THEIR EXPORTS.

FOR CANADA, CONTRIBUTING TO A HEALTHY DOMESTIC AS WELL AS INTERNATIONAL ECONOMY MEANS COMING TO GRIPS WITH OUR FISCAL DEFICIT. WE DID SO IN THE GOVERNMENT'S APRIL BUDGET WHICH AFFECTED BOTH OUR REVENUES AND EXPENDITURES. WHILE THERE WILL BE ADJUSTMENTS IN THE SHORT RUN, WE HAVE LAID THE BASIS FOR STRONG AND STABLE GROWTH IN THE COMING YEARS.

AS WE LOOK AT THE GLOBAL ASSISTANCE EFFORT, IT IS CLEAR THAT THE VOLUME OF ASSISTANCE IS NOT KEEPING PACE WITH NEED. OUR AID PROGRAM IN RECENT YEARS HAS BEEN GROWING BY 7.4 PER CENT, MORE THAN TWICE THE RATE OF CANADIAN GOVERNMENT SPENDING GENERALLY. CANADA, LIKE SOME OTHER DONORS, HAS HAD TO MAKE SHORT-TERM ADJUSTMENTS TO OUR AID BUDGET, BUT BEGINNING NEXT YEAR, OUR PROGRAM WILL GROW AGAIN, TIED BY A FORMULA TO THE GROWTH OF THE CANADIAN ECONOMY AND OUR RATIO OF DEVELOPMENT ASSISTANCE TO GNP WILL GRADUALLY INCREASE.

IT IS HARDER TO MEASURE AID QUALITY VOLUME, BUT BOTH HIGH QUALITY AND VOLUME ARE NECESSARY TO A CREDIBLE AID EFFORT. CANADA IS COMMITTED TO THE HIGH QUALITY OF ITS PROGRAM, AND DESPITE THE BUDGET REDUCTIONS, THE FUNDAMENTAL DEVELOPMENTAL ORIENTATION OF CANADIAN AID WILL REMAIN CENTRAL.

THAT MEANS THAT THE POLICY DIRECTION OF THE CANADIAN ODA STRATEGY, ANNOUNCED LAST YEAR, AND WELCOMED BY THE DEVELOPMENT ASSISTANCE COMMITTEE, REMAINS UNCHANGED.

ALL THE IMPROVEMENTS WILL REMAIN AND WILL BE CARRIED OUT, INCLUDING THE COMMITMENT TO DEVELOPMENT FIRST, AND PARTICULARLY TO THE POOREST, AND PRIORITY PUT ON MAJOR THEMES SUCH AS HUMAN RESOURCE DEVELOPMENT AND THE ENVIRONMENT. CANADA WILL ALSO CONTINUE TO WORK ACTIVELY IN THIS ORGANIZATION TO ENCOURAGE IMPROVEMENT IN THE QUALITY OF OUR COLLECTIVE ASSISTANCE EFFORTS.

THE PROBLEMS OF DEBT AND DEVELOPMENT HAVE BEEN COMPOUNDED BY THE GROWING THREAT TO THE GLOBAL ENVIRONMENT.

FARMERS IN AFRICA CANNOT BE PRODUCTIVE WHEN DESERTIFICATION ROBBS THEM OF THEIR FIELDS, NO MORE SO THAN FARMERS IN BANGLADESH WHOSE HARVESTS ARE WASHED AWAY BY UNCONTROLLABLE FLOODS. THESE AND OTHER PROBLEMS SUCH AS DEFORESTATION WILL, IF LEFT UNCHECKED, LIMIT THE POTENTIAL OF DEVELOPING NATIONS AND HANDICAP THE PRODUCTIVITY OF DEVELOPED NATIONS.

BUT THE THREATS ARE NOT JUST TO THE DEVELOPING WORLD. WE ALL FACE THEM. ON CANADA'S ATLANTIC COAST OUR FISHING INDUSTRY IS IN JEOPARDY BECAUSE OF THE OVER-HARVESTING OF NORTH ATLANTIC FISH STOCKS. IN THE WATERS OFF OUR PACIFIC COAST THOUSANDS OF BIRDS AND ANIMALS PERISH EVERY YEAR, VICTIMS OF RAPACIOUS DRIFT NET FISHERMEN.

AND BETWEEN OUR COASTS THOUSANDS OF OUR LAKES AND TREES ARE DEAD BECAUSE OF ACID RAIN. UNTIL ACID RAIN IS CURTAILED EVEN MORE OF OUR FORESTS AND WATER WILL DIE.

ACID RAIN AND NATURAL RESOURCE DEPLETION ARE NOT PROBLEMS UNIQUE TO CANADA, NO MORE SO THAN THE DAMAGE TO THE PLANET'S ATMOSPHERE. THE COMBINED EFFECTS OF CLIMATE CHANGE, OZONE DEPLETION AND TRANSBOUNDARY AIR POLLUTION SUCH AS ACID RAIN COULD WREAK HAVOC AROUND THE WORLD.

WHILE THE PROSPECTS ARE GRIM WE CAN TAKE AT LEAST SOME COMFORT FROM THE FACT THAT THE MESSAGE OF THE WORLD COMMISSION ON ENVIRONMENT AND DEVELOPMENT ON SUSTAINABLE DEVELOPMENT IS NOW WIDELY ACCEPTED.

MORE AND MORE NATIONS AGREE THAT ENVIRONMENTAL DEGRADATION POSES A SERIOUS THREAT TO SUSTAINED ECONOMIC DEVELOPMENT AND ULTIMATELY TO GLOBAL SECURITY. WITH IT HAS COME THE GROWING RECOGNITION THAT GOVERNMENTS AND MULTILATERAL ORGANIZATIONS MUST FIND EFFECTIVE MEANS TO MAINTAIN AND ENHANCE THE QUALITY OF THE WHOLE BIOSPHERE ON WHICH ALL LIFE DEPENDS.

WE MUST HARNESS EXPERTISE WHEREVER WE CAN.

THE OECD HAS A SPECIAL RESPONSIBILITY. ITS PROVEN ANALYTICAL CAPACITY SHOULD BE UTILIZED TO DEVELOP THE CONCEPT OF SUSTAINABLE DEVELOPMENT INTO A PRACTICAL FRAMEWORK FOR ACTION.

SUCH A FRAMEWORK WOULD ENSURE THAT SUSTAINABLE DEVELOPMENT BECOMES A PRIORITY IN OECD COMMITTEES INCLUDING TRADE, AGRICULTURE, ECONOMIC POLICY AND OTHER AREAS. IT COULD ALSO LEAD TO THE GUIDELINES THAT WOULD ENCOURAGE MEMBER GOVERNMENTS TO BUILD IN ENVIRONMENTAL CONSIDERATIONS TO DECISION-MAKING IN OTHER FIELDS.

SUCH A FRAMEWORK WOULD, I BELIEVE, PROVE TO HAVE ENORMOUS BENEFITS FOR GOVERNMENTS AND INDUSTRY.

IT WOULD ENABLE GOVERNMENTS AND INDUSTRY TO UNDERTAKE POLICIES AND PROJECTS THAT ARE ENVIRONMENTALLY SOUND.

THE OECD ALSO HAS A ROLE IN BROADENING THE DIALOGUE ON THE ENVIRONMENT. FOR EXAMPLE, IT COULD ORGANIZE A MULTI-SECTORAL ADVISORY BOARD ON SUSTAINABLE DEVELOPMENT. EXPERIENCE IN CANADA WITH SUCH A BODY, OUR NATIONAL ROUND TABLE ON ENVIRONMENT AND ECONOMY, SHOWS THE POTENTIAL IT HAS FOR INNOVATIVE, PRAGMATIC APPROACHES TO THE CHALLENGE OF SUSTAINABLE DEVELOPMENT.

CANADA WOULD LIKE TO SEE A LINK ESTABLISHED BETWEEN THE 1991 OECD ENVIRONMENT COMMITTEE MINISTERIAL AND THE OECD MINISTERIAL MEETING THAT SAME YEAR. SUCH A LINK WOULD GIVE FOCUS TO NEW OECD ENVIRONMENT AND ECONOMY ACTIVITIES, AND SYMBOLIZE THE INTEGRATION OF ENVIRONMENT AND ECONOMY ISSUES WITHIN THE OECD.

ANOTHER IMPORTANT CONTRIBUTION WAS ALREADY MADE BY MY COLLEAGUE, THE FINANCE MINISTER: THE OECD SHOULD CONSIDER INCLUDING IN EACH COUNTRY REVIEW, CARRIED OUT BY THE ECONOMIC AND DEVELOPMENT REVIEW COMMITTEE, AN ASSESSMENT AS TO WHETHER RESOURCES ARE BEING USED IN AN ENVIRONMENTALLY SOUND MANNER.

ON TUESDAY, INTERNATIONAL ENERGY AGENCY (IEA) MINISTERS ENGAGED IN A LENGTHY DISCUSSION ON ENERGY AND THE ENVIRONMENT. CANADA PROPOSED THERE THAT THE IEA WORK CLOSELY WITH THE OECD ON THESE ISSUES AND, IN PARTICULAR, CONTRIBUTE TO THE WORK OF THE INTERGOVERNMENTAL PANEL ON CLIMATE CHANGE.

CLIMATE CHANGE IS PERHAPS THE MOST SIGNIFICANT ENVIRONMENTAL ISSUE TODAY. AN INTERNATIONAL CONVENTION ON CLIMATE CHANGE MUST BE ONE OF THE TOP PRIORITIES FOR THE WORLD COMMUNITY. WE WELCOME LAST WEEK'S DECISION OF THE UNEP GOVERNING COUNCIL TO BEGIN WORK ON SUCH A CONVENTION.

CANADA HAS FOUND THE OECD CHEMICAL PROGRAM USEFUL IN THE IMPLEMENTATION OF NEW ENVIRONMENTAL PROTECTION LEGISLATION. THE OECD SHOULD TAKE ADVANTAGE OF THIS EXPERTISE AND SHARE INFORMATION ON AGRICULTURAL AND INDUSTRIAL CHEMICALS WITH DEVELOPING NATIONS IN AN EFFORT TO REDUCE THE GLOBAL SPREAD OF CHEMICALLY RELATED LAND AND WATER POLLUTION.

IN SHORT THE MESSAGE THAT THE OECD SHOULD BE SENDING OUT IS
THAT:

- ITS ENVIRONMENTAL PROGRAM WILL BE FOCUSSED AND INTENSE;
- IT WILL DEFINE THE RELATIONSHIP BETWEEN ECONOMY AND ENVIRONMENT;
- IT WILL DEVELOP ENVIRONMENTALLY ORIENTED COST-BENEFIT ANALYSIS TO HELP MAKE TOUGH CHOICES;
- IT WILL FASHION ECONOMIC POLICY AND FINANCIAL TOOLS TO IMPLEMENT ENVIRONMENTAL POLICIES.

WE OWE PROGRESS IN THESE AREAS TO OURSELVES; WE OWE IT TO DEVELOPING COUNTRIES AS WELL.

NOT ALL CHANGE AS I MENTIONED AT THE OUTSET IS FOR THE WORSE. THERE ARE BRIGHT SPOTS AS WELL.

LAST YEAR, WE LAUNCHED A PROCESS OF CONSULTATION WITH REPRESENTATIVES FROM THE NEWLY INDUSTRIALIZING ECONOMIES OF THE PACIFIC. CANADA PLAYED A LEAD ROLE IN PROMOTING THIS DIALOGUE. WE DID SO NOT JUST BECAUSE CANADA TOO IS A PACIFIC NATION BUT, AS WELL, BECAUSE WE RECOGNIZE THAT OUR MACRO-ECONOMIC, TRADE AND EVEN SOCIAL POLICIES AND PROGRAMS HAVE A MUTUAL IMPACT.

THE DIALOGUE ON ISSUES OF MUTUAL INTEREST IS NOW WELL ENGAGED. THE OECD, IN ITS WORK, IS TAKING GREATER ACCOUNT OF THE ECONOMIC CONDITIONS AND POLICIES IN KOREA, SINGAPORE, HONG KONG AND ELSEWHERE IN THE REGION. WORKSHOPS WILL BE ESTABLISHED TO PURSUE DISCUSSIONS IN SPECIFIC POLICY AREAS.

WE HAVE SEEN THE SUCCESS STORIES AMONG THE NEWLY INDUSTRIALIZING ECONOMIES AND THE LESSONS THAT CAN BE LEARNED. THAT SUCCESS DID NOT COME EASILY, BUT RATHER IN THE FACE OF OFTEN CONSIDERABLE DIFFICULTIES. AND WE HAVE RECOGNIZED THAT WE NEED TO HAVE AN OPEN CONSTRUCTIVE DIALOGUE WITH THOSE WHO DIRECT THESE IMPORTANT ECONOMIES. CLEARLY, THEREFORE, OUR VERY SUCCESSFUL FIRST EFFORT SHOULD BE FOLLOWED UP SYSTEMATICALLY.

THE SEMINAR AND THE WORKSHOPS MUST BE THE STARTING POINT IN A DYNAMIC PROCESS, AND NOT BE ALLOWED TO BECOME ISOLATED EVENTS.

I BELIEVE THAT THE COUNTRIES THAT ARE MEMBERS OF THE OECD CAN ALSO EXTEND THEIR CONTACTS WITH THOSE WHO ARE NOT. THE OECD IS WELL PLACED TO UNDERTAKE COORDINATION OF FURTHER ANALYTICAL WORK ON ECONOMIC DEVELOPMENTS IN EASTERN EUROPE. IN PARTICULAR, WE BELIEVE THAT THIS ORGANIZATION SHOULD RESPOND POSITIVELY AND CONSTRUCTIVELY TO REQUESTS FROM CMEA COUNTRIES FOR ECONOMIC ANALYSIS AND METHODOLOGY AND TECHNICAL ADVICE TO BOLSTER ECONOMIC EFFICIENCY AND REFORM.

IN THIS BROAD DIMENSION OF OUR WORK, WE CAN LEARN MUCH FROM ONE ANOTHER, AND FROM NON-MEMBERS. WE NEED TO REMAIN OPEN TO NEW IDEAS AND NEW STRUCTURES.

IN SUCH ACTIVITIES, AS IN OUR WORK ON DEVELOPMENT AND ON THE ENVIRONMENT, THEREFORE, FLEXIBILITY, INNOVATION AND IMAGINATION MUST BE OUR WATCHWORDS.

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STATEMENTS AND SPEECHES

Statement by

The Right Honourable Joe Clark,
Secretary of State for External Affairs,
in the House of Commons
during an emergency debate
on the situation in China

Canada

Ottawa, Ontario

June 5, 1989

Mr. Speaker,

I know that all Members of this House, and indeed all Canadians, share with me a deeply-felt sense of horror and outrage at the events that have unfolded over the last few days in China.

We have watched a country's armed forces turn on its own citizens in an indiscriminate and brutal fashion. We have seen unarmed students and citizens gunned down and over-run by tanks. We have witnessed troops shooting from behind at fleeing crowds. We have heard of military units dealing summarily with even non-violent acts of resistance. Tiananmen Square, which has been the site of so many important historical events over the decades and centuries, now adds to its legacy one of the most tragic occurrences of modern China.

Mr. Speaker, the situation is evolving very rapidly. The latest news we have from our embassy in Beijing only minutes ago is that the violence started in the Chinese capital is spreading across the country. There is growing evidence that the military is at odds with itself and we have received reports that there is now fighting between various factions of the military. The appearance is one of military chaos. Those forces who unleashed the initial program of violence against the students in Tiananmen Square appear to have set in train a chain of violence that cannot now be easily contained.

How could this have happened? We had hoped and believed that China was on the road to extensive and fundamental reform. For eleven years the Chinese leadership has been pursuing a range of policies aimed at opening China up to the outside world. Hallmarks of this welcome reversal of earlier centralism and isolationism have been the decentralization of decision-making, the encouragement of private enterprise, and the welcoming of increased trade and economic exchanges with Canada and other western democracies.

During the past few years we have also seen welcome change on the political front, even if the depth of reform has been somewhat less than in economic areas. We have seen more freedom of the press, more freedom of speech, more freedom of association, less control on travel, more flexible policies on emigration, and even some tentative signs of willingness to accept legitimate political action expressed through vehicles other than the Communist Party.

Indeed, the last few weeks of political difficulty were in some ways a great signal of the strides China had seemed to have taken. Students in great numbers were tolerated in the non-violent expression of their desire for further change. Their cries for greater democracy, for the establishment of basic rights and freedoms appeared to be

getting through to the government, and we watched some of China's leaders express sympathy, understanding, and most importantly respect, for the objectives and intentions of the students. These were positive signs of a nation in the process of change, and many among us believed that China would somehow manage this pressure for such change by becoming more democratic, more open and more respectful of its own people.

When the tanks and the troops moved in Tiananmen Square on Saturday night it was clear that the forces of darkness and not of light had triumphed. It was clear that leaders who had urged restraint were being brushed aside. It was clear that the interests of a few were being placed ahead of the aspirations of the many. It is very much in part because of the great strides forward China has taken over the last decade that the events of the last few days are so tragic for China. And so tragic for those principles and freedoms which we hold dear and which we had thought were starting to find their proper place in Chinese political life as well.

Mr. Speaker, Canada's relations with China have been and continue to be important to us. In 1970, we were among the earliest of western countries to reestablish diplomatic relations with the People's Republic after almost two decades of isolation. Since that time our relationship has grown to the point where what happens in China is of very real and direct concern to Canadians from every part of this country and from every walk of life. Exchanges with China of scientists, students, cultural groups, and sporting teams have become common and have been welcomed by Canadians and Chinese alike. Canadian cities and provinces have become twinned with Chinese counterparts. We have talked with senior Chinese leaders how we can collectively address issues of common concern, be they regional disputes, protection of the environment, or ways to make the world's trading system more sensitive to the needs of both of our economies. Our trade has benefitted both economies, our development assistance program has served to increase China's ability to modernize and has additionally served to introduce the Chinese to Canadian ways of doing things. I believe very deeply that the breadth and intensity of our relationship with China has enriched both of our countries.

The extent of the friendship between Canadians and Chinese that has grown over the last decade makes the carnage in the streets of China's capital particularly sad and particularly difficult to accept without any response. As we examine what our response should be; however, we must remember that we will cherish our friendship with the Chinese people, that we are not going to become "anti-China", that our condemnation and our outrage should be focussed on the violent and aggressive actions that we cannot and will never condone and on those who initiated and encouraged those actions.

Mr. Speaker, as soon as the military strike against the civilians in Tiananmen Square became known to us on Saturday we made clear our abhorrence at the unnecessary and indiscriminate use of force being used against unarmed students and citizens. As the events unfolded and the extent of the violence and the killing became clear, we called on the Chinese Government in the strongest possible terms "to urgently and immediately take steps to stop the aggressive and senseless killing by its armed forces". Yesterday at noon I had the Chinese Ambassador called in to underline the seriousness with which we viewed the situation and to ensure that he passed to his authorities our call for a stop to the killing and the depth of our outrage.

We have not been alone in calling on the Chinese leadership to stop the carnage and to return to peaceful methods to resolve their political crisis. Most western governments, governments from around the world, even Communist parties in other countries, have joined in condemning the brutality of the methods chosen to clear Tiananmen Square and to crush all and every expression of dissent by the students and other civilians once the military action had begun.

Although we have not been asked, and indeed such a request may be unlikely, the Government remains ready to offer humanitarian assistance or medical supplies if needed.

In assessing the actions which should accompany our condemnation of the violence and the killings, we must bear in mind the need to safeguard Canadian lives as well as the need to build pressure on the Chinese Government.

At the time of the outbreak of violence, there were approximately six hundred Canadians resident in China, roughly half of whom were in Beijing. In addition, there were a number of business visitors and tourists scattered around the country. Our first concern, because of the violence, has been the security of those in the capital. As a precautionary measure in case of further military action against the universities, our embassy evacuated all Canadians from the city campuses, and is currently providing temporary accommodation to the seventy-five or so students affected. We are in constant contact with our Ambassador, Earl Drake, and we have contingency plans for the evacuation from Beijing for the students, other Canadians, and the staff of the Embassy should it prove advisable. We have put into place arrangements whereby aircraft can be made available to us at short notice for evacuating Canadians to nearby Asian cities, and onward transportation arrangements are being explored.

In fact, Mr. Speaker we have just decided to advise Canadians to leave Beijing now. Our Embassy will be assisting them in making their departure. I will of course keep the House advised if we decide to proceed with a complete evacuation.

With respect to bilateral actions that we might take in response to the crisis, we have already deferred or cancelled all events that were planned in the immediate future.

We have postponed the signing of a series of memoranda of understanding on development assistance projects which were to be signed later this week.

We have suspended nuclear cooperation consultations which were to proceed early next week and we will be taking similar action with respect to other scheduled negotiations and discussions. We are advising the provinces and non-governmental organizations with planned consultations with Chinese counterparts to follow suit.

Although there are no high-level visits in either direction planned for the coming few weeks, we would deflect such visits until a more appropriate time.

At the multilateral level, I have asked our Ambassador to the United Nations in New York to begin immediately consultations with other U.N. members, and with the Secretary General, means by which the moral suasion of the United Nations might be brought to bear to support the voices calling for moderation and restraint in China. Canada fully supports the statement issued by the Secretary General today calling for restraint.

With respect to the large numbers of Chinese students in Canada - I believe there are some forty-five hundred here at the moment - I am sure it is a most troublesome time. While we trust that before long the situation in China will no longer be repugnant to them, we understand their concerns. As my colleague, the Honourable Minister for Employment and Immigration announced earlier, we will be sympathetic to any requests for extending their stay until calm returns to their homeland.

My colleague has also taken steps to suspend, for at least a two month period, all removals to China under the terms of the Immigration Act.

Some countries have announced the suspension of programs of bilateral military cooperation and sales to China. Canada does not have any such formal arrangements, and has sold in the past only very small amounts of non-lethal equipment to the Chinese military. I can assure you, however, that the government would not grant export permits for military sales of any sort in the current situation. Furthermore, I have asked that the modest program of defence relations between the Canadian Armed Forces and the People's Liberation Army, which saw a visit to China last year of the Chief of Defence Staff, be suspended immediately.

Mr. Speaker, what is transpiring in China is tragedy of global proportions. Let us hope that the events of the coming weeks see China, and its great people, emerge without unnecessary bloodshed, and with a renewed commitment to fundamental rights and freedoms in an increasingly democratic country. I only wish that I could find greater cause for optimism at the moment.

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STATEMENTS AND SPEECHES



China and Canada: The Months Ahead

Statement by

The Right Honourable Joe Clark,

Secretary of State for External Affairs

Canada

Ottawa, Ontario

June 30, 1989

These past few weeks have been tumultuous ones in China and a great shock to the many Canadians who have an interest in China and in the relationship between our peoples.

You are aware of the Government's reaction to the brutality of June 4 and to the subsequent campaign of repression unleashed by the regime in Beijing. I announced in the House of Commons on June 5 a series of measures that constituted an initial response to those events, and we have subsequently taken a number of other individual steps.

Today I am announcing several adjustments to Canadian policies in light of the changed circumstances created by the events in China.

Canadians from many walks of life have a stake in our relationship with China. Some Canadians have ties of heritage and language. Academics, professionals and others have spent enormous proportions of their lives learning about China, and sharing the triumph and the tears of China's growing pains. Business people have invested substantial effort and resources - of their own, of their employees and of their stockholders - in building business relations with China. Our farmers have turned their land into a breadbasket for China, and today the China trade represents Canada's largest grain market.

So it is not surprising that there has been such extraordinary attention paid by Canadians to Tiananmen Square and its aftermath. As a country we have a great deal invested in our relationship with the People's Republic and the one-quarter of the world's population that lives there.

It is precisely because of this diversity of legitimate interests that the Government convened last week's "National Round Table", which brought together industrialists, academics, non-governmental organizations and representatives of the Chinese Canadian community. That Round Table produced a virtual consensus on where we should be going in our relationship with China over the next few months, and the few voices discenting from that consensus argued on points of tactics, not on broad objectives or strategy.

In addition to the National Round Table we have had a special session on China in the House Standing Committee on External Affairs and International Trade.

Both the Prime Minister and I have met with representatives of the Chinese Canadian community, Mr. Mulroney in Vancouver and I here in Ottawa. Our colleague, the Minister of Employment and Immigration, subsequently met with representatives of that community in Toronto.

Can months ahead June 30/85

During his time in Ottawa, Ambassador Earl Drake consulted with Parliamentarians, with representatives of the provinces, and with senior officials from major departments and agencies having interests in our relationship with China.

We have had a number of Cabinet meetings on the question and we have listened carefully to suggestions made to us through letters and media commentary.

As a result of this extensive consultative process, where do we go from here? First of all, I think it is clear that we cannot now determine how events are going to unfold in the months ahead with the kind of precision that would allow us to set in stone the parameters and mileposts that should govern our relations with China over the next several years. At the same time, I think we can start to respond to the changed circumstances in which that relationship will be pursued and begin moving the relationship onto a new footing.

Therefore I am announcing today certain adjustments in the relation between Canada and China.

Sometime in two or three months the outlook may be clearer and we will make further adjustments - perhaps by "thawing" certain parts of the relationship we have frozen, perhaps by cancelling some other elements we are now treating as suspended. I do think the National Round Table was a useful, consensus-building exercise, and we may well hold another one sometime in the autumn when the way ahead is a little clearer.

In the meantime, we are now taking a number of further steps to give effect to the changes in the Canada-China relationship in the context of the new political reality in China.

On the basis of the recommendations we heard during the National Round Table, we are framing our policy in the context of four basic parameters:

- First Tiananmen Square and the subsequent campaign of repression have changed the relationship between Canada and China. The Chinese authorities have called for "business as usual"; this cannot be accepted.
- Second, we value the friendship between our two peoples - we have not become, and will not become, "anti-China";

- Third, we must try to avoid measures that would push China towards isolation; and
- Fourth, we should try to maximize the impact of whatever measures we adopt via a relatively coordinated approach of like-minded countries.

With these basic parameters in mind, we will be analyzing various parts of our relationship, and events and proposals that come before us in the months to come, against certain criteria that have been designed to reflect the new reality in China:

- First, the existing links forged by government, industry and academics over the past decade should be preserved to the extent possible;
- Second, new initiatives in the relationship should focus on people-to-people exchanges; and
- Third, programs which benefit or lend prestige to the current hardline policies of the Chinese government, most particularly the military or state propaganda apparatus, should be avoided.

Against these basic groundrules, the series of further measures we are adopting at this time contain adjustments to most of the broad constituent parts of our relationship.

At the level of our overall political relationship with China, we will continue for the time being to defer high-level contacts with the Chinese Government. We will also continue to pursue human rights actions in UN agencies - particularly the ECOSOC and the Commission on Human Rights, and we will enhance the human rights monitoring capacity of our Embassy in Beijing. Other possible measures will be discussed at various international and multilateral events in the months to come.

The benefits of a certain amount of international unison makes it particularly important to stay in touch with our friends and allies in the weeks and months to come. The Paris Summit will be the first major meeting that will permit us to talk collectively about how to manage our China relationships, and we expect that meeting will provide the opportunity to consider the extent to which our concerns and responses are similar. This being said, it will remain important not to help the hardliners' propaganda in China set up a straw man of a western coalition ganging up on China.

On the development assistance front, we intend to withdraw from three projects which we believe fail the test of the new criteria - preserving links, people-to-people exchanges, and no support for the military and propaganda apparatus. The three projects involve support for state auditor training, a lube oil centre, and urban traffic management. In addition, we will keep on hold four of the five agreements for which the signings were postponed in the immediate aftermath of the Tiananmen incident. We will, however, proceed to sign a project linking community colleges with their Chinese counterparts. We will also be suspending indefinitely activity associated with the Three Gorges project, and be placing new emphasis on people-to-people exchanges, and on an increased flow of students to Canada.

On the economic front, we will be proceeding with a number of adjustments. First, we will henceforth be applying the criteria I outlined when new projects are considered for support under the EDC line-of-credit. We will be cancelling one project - a television transmission facility - which is clearly supportive of China's state propaganda apparatus. Along with other countries, we will be examining the possibility of suspending further streamlining and liberalization of the COCOM export controls as they apply to China, and we will be suspending government funding for participation in PRC-hosted trade shows and exhibitions for the remainder of the year. Finally, we will be downgrading Canada's trade representation in Beijing in response to the changed circumstances and in anticipation of an expected downturn in trade activity.

In the area of communications and cultural exchanges, we will be making very few adjustments. As a government we feel it is particularly important to sustain cultural and people-to-people links at this time. We have had many requests about the various twinning arrangements and institutional linkages that exist between our provinces, municipalities and non-governmental organizations and their Chinese counterparts. What we are saying to them today is not to cut their ties but to reach out to their counterparts, to their contacts with the objective of keeping the doors open, keeping the exchanges operating and information flowing. The more contacts people from all walks of life in China can have with their Canadian and other friends, the less likely the success of the onslaught of the hardline propaganda machine.

At the same time, we are calling on the CBC to suspend their Broadcasting Aide Memoire on joint production for radio and television programming with Chinese state radio, given the latter's current role in China's propaganda efforts.

As you know, Radio Canada International advanced by ten months its program for Mandarin broadcasts into China, from next April to last week, and we will be exploring with them the possibility of increasing the length and the frequency of future broadcasts. We are not talking here of western propaganda, we are talking about the kind of straight news and information broadcasts that are standard Canadian fare. We leave it to Chinese listeners to make their own judgements about what is truth and what is not.

On the immigration front, we have attempted to respond to increased demand by beefing up our processing capacity in Beijing and Shanghai. We have to date been giving priority to students, and to the families of students and others here in Canada, and we will be looking at further measures as the weeks and months advance.

With respect to Chinese students here in Canada, the Government has already taken steps to respond to the uncertainty they have felt in light of the radically changed environment in their homeland.

I and my colleagues the Minister of Employment and Immigration and the Minister of External Relations and International Development have prepared a series of measures to address the situation of Chinese students here in Canada, their ability to support themselves while here, and their longer-term status. We have emphasized that we are willing to extend student Visas for a year and we have established mechanisms to ensure that work permits, job counselling services, and financial support will be in place for those who need it. At the same time, we are not encouraging Chinese students here to take hasty decisions. We are not pressuring them into definitively cutting their ties to China - we are simply saying that you are welcome during this period of uncertainty. If in the end they choose not to return to China, then we will look at individual cases sympathetically, but we continue to hope that the situation in China will encourage them to decide, at the end of their academic programs, to return to China, bring with them Canadian concepts, Canadian ways of doing things, and a healthy commitment to truth and the rule of law.

There is separate press material available on the programs being put in place with respect to the students and so I do not think there is any need for me to delve into the details here. I might add, however, that these programs are an excellent example of cooperation between a variety of communities here in Canada, cooperation made possible by the consultative process we have adopted in response to the events in China.

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STATEMENTS AND SPEECHES



Speech by

The Right Honourable Joe Clark,
Secretary of State for External Affairs,
at the Opening of the Fourth Session
of the Commonwealth Committee
of Foreign Ministers

Canada

Canberra, Australia

August 7, 1989

Prime Minister,

Secretary-General,

Colleagues and distinguished guests

Thank you Prime Minister Hawke. We are all honoured by your presence here and pay tribute to your unflagging efforts and those of your countrymen in the fight against apartheid. I would like to thank you, your Foreign Minister and the people of Australia for your commitment to equality in southern Africa and your hospitality here in Canberra.

Canberra, like Ottawa, lies a great distance from South Africa, but when measured not in kilometres but in commitment and conviction, the problems of South Africa are very close to us all. Our meeting, the last before Commonwealth Heads of Government gather in Kuala Lumpur, lets us assess prospects for change and negotiation. We must analyze both what has changed and what has not and send signals, not only to Commonwealth Heads, but also to South African leaders, black and white.

South Africa has not remained still since this Committee was formed at Vancouver. Nor have we. In the first year of our mandate, the atmosphere in South Africa grew even more menacing. Shortly after our Lusaka meeting, the mass democratic movement was mauled by bannings. Political detentions sought to stifle dissent, and censorship grew with attacks on the alternative press. Destabilization disrupted the Front-line States and no solution to Namibia was then in sight.

We responded, by reaching out to the victims of apartheid and by using the instrument of sanctions to apply pressure for change. Our Committee kept the case for sanctions before the international community and before South Africa.

We initiated studies to evaluate the application and impact of sanctions to assess South Africa's relationship with the international financial system. In Toronto we made a number of concrete proposals to tighten and intensify Commonwealth sanctions. Of particular import, were the emphasis on financial sanctions and measures to prohibit the transfer of technology which could serve to circumvent the arms, oil and computer embargos. In Harare we agreed to a proposal which could lead to a substantial strengthening of the arms embargo.

Recognizing that none of us has significant economic leverage alone on South Africa, we have each sought the support of nations who do, particularly those who continue to carry on significant trade and financial dealings with South Africa in areas under Commonwealth sanctions. We need to continue our efforts to widen the adoption of Commonwealth measures.

Here in Canberra we will consider the final report of the experts on the application and impact of sanctions. These experts are independent of our respective governments and their conclusions and recommendations reflect their own views. They have provided us with a far-reaching and thought-provoking document which will be a useful contribution to the sanctions debate.

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In response to the situation South Africa's neighbours are facing, the CFM has pledged economic and security assistance, particularly to Mozambique, where destabilization's legacy has been a conflict of brutality and unrelenting misery. Several projects under the Mozambique Fund have already been implemented. For Canada's part, we have recently announced substantial increases in the support we will be providing to Front Line States through our Military Training Assistance Program.

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In South Africa itself, signals are mixed. The forced incorporation of black communities into the so-called homelands continues. The government has announced it will appoint seventy officials to inspect violations of the Group Areas Act. The National Party's reform manifesto remains rooted in the idea of group rather than individual rights.

There has been a consolidation of a new leadership in Pretoria. Some but not all of the cells holding political prisoners have been opened. Virtually all of those detained without charge under emergency regulations have been released. However, many of them traded one form of imprisonment for another when they subsequently were served restriction orders. Other political prisoners, such as Nelson Mandela, remain behind bars - rather than behind the negotiation table where they belong. President Botha's coffee table is no substitute, but their meeting was a symbolic recognition that Nelson Mandela remains central to any solution in South Africa.

A national election has been called for September, from which the majority is excluded. Importantly, though, a key issue is whether and how to allow the black majority a voice in writing a new constitution and in working out a common destiny. But that majority is not content to sit on the sidelines and wait for the white electorate to decide its fate. Neither will it negotiate a settlement that remains within the framework of apartheid. But its many leaders are taking more seriously the idea of national constitutional negotiations. There is more talk about talks. In the meantime, the mass democratic movement continues to keep up the pressure for change from within, and is now engaged in a non-violent campaign to demonstrate the realities of racial segregation.

The South African Government may finally understand that it does not hold all the keys to the future of South Africa. Forced separateness is increasingly difficult to sustain in an era of rapid black urbanisation, and the monopolization of political power cannot withstand forever the pressures of an increasingly politicized majority. Some white South Africans have accepted and work for a non-racial future. Others remain paralyzed by fear, ascribing to their black countrymen their own attitudes, and hence believing there exist only two alternatives - to dominate or to perish. I believe a third alternative - non-racial democracy - is not only viable but also reflects black South Africa's vision of the future. It is this vision of the future that we hope will be promoted through dialogue across the racial divide, and to this end Canada has put in place a \$1.6 million Fund to Promote Dialogue Among South Africans.

If the prospects for fundamental change and negotiations towards non-racial, representative government are better than ever before, it is also due in large measure to sustained international pressure. Economic and other sanctions, particular financial sanctions, are working. South African officials themselves acknowledge the very financial squeeze they are facing. Not only do sanctions directly increase the cost of maintaining apartheid, but, far more importantly, they also have a psychological impact. Our various experts have highlighted the importance of the forthcoming debt rescheduling. Pressure must be maintained until there is concrete evidence of fundamental change.

What in our view represents change? The best starting point is the "possible negotiating concept" of the Commonwealth Eminent Persons Group. The release of Nelson Mandela and other political prisoners must be accompanied by the unbanning of the ANC and PAC, the normalization of black politics, an end to the state of emergency, and, in the context of a suspension of violence on all sides, the beginning of a process of meaningful negotiations towards non-racial, representative government.

This is our last meeting before Commonwealth Heads gather in October. Over the past two years we have kept before the international community the need to sustain international pressure, particularly sanctions, to complement internal efforts to promote change in South Africa.

Much can and will happen before the Kuala Lumpur meeting, but the message is constant. Our attitude should not be to wait and see. Pressure has brought us this far, and cannot relent until we see action rather than just talk about fundamental change.

This Committee was established to keep a steady Commonwealth focus on apartheid, and not let the world's attention slip away, as it did in earlier times. All the world is offended by apartheid, but the Commonwealth feels a particular obligation to end that system, and to end it peacefully. So many of our Member States and citizens live literally on the front lines. So many children of the Commonwealth have their futures blighted, or their sense of their worth demeaned, by this legalized racism. And South Africa itself was once a member of the Commonwealth family and would be welcome home again, once apartheid is gone.

The commitment of the Commonwealth has always been clear, but a focus was needed, an instrument to explore alternatives, to expose destabilization and propaganda, to maintain the pressure for change, and to open channels through which black and white South Africans might find common cause.

As we begin our final formal meeting, I want as Chairman to thank my colleague Foreign Ministers for giving this issue and our work your unfailing priority. But I want also to draw a lesson about modern international life, and the special nature of this Commonwealth.

We represent, in this Commonwealth family, the world's diversity - diversity of culture, languages, and standards and visions of life. Each of us has preoccupations at home, which could divert our attention away from the fight against apartheid. But we have not been diverted, the Commonwealth will not be. The individual measures we have adopted each have their own weight. But what matters most of all about the Commonwealth, what makes our position against apartheid impossible to ignore, is that we will not relent until the system is ended. That has been the purpose and the standard of this Committee, as it is of the Heads of Government meeting to which we will report. Because that determination is so universal and so strong, I am convinced we will finally see an end to apartheid.

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Speech by

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STATEMENTS AND SPEECHES



Speech by

The Right Honourable Joe Clark,
Secretary of State for External Affairs,
to the Forty-fourth Session
of the United Nations General Assembly

Canada

New York, United States

September 26, 1989

Mr. President

I would like to offer you my congratulations and best wishes as you assume your important duties as President of this General Assembly of the United Nations. The wisdom and understanding you bring to this position is well-suited in these historic times. I am also confident you will do great honour to the legacy left by your distinguished predecessor and my good friend Dante Caputo.

Mr. President, before beginning my main remarks I want to comment on two particular developments of relevance to the United Nations.

The first concerns the application of modern technology to the challenge of peacekeeping. In April of this year, Canada completed a comprehensive study the purpose of which was to explore the utility of all forms of aerial surveillance to the peacekeeping tasks now before the international community. The conclusion of this study was that these overhead technologies - satellite of airborne - could significantly increase the efficiency of peacekeeping operations and related verification endeavours. This study will be submitted to the UN for its consideration.

I believe this is an important development both symbolically and as an achievement in its own right. It is the sort of pragmatic, concrete work necessary to allow the UN to handle its ever-expanding peacekeeping responsibilities more effectively. It also symbolizes one of the fundamental purposes of this Organization: harmonizing the wonders of modern technology to the tasks of peace-building and not war-making.

The second development on which I would like to comment is the readiness by Canada, if asked, to supplement the United Nations presence in Namibia by sending trained and respected police forces. Canada supported enthusiastically the idea that nations should help meet the urgent requirements for skilled policing in Namibia. We are ready to send members of our national force, the Royal Canadian Mounted Police, who have played such a decisive and constructive role in our own history.

They were, in effect, Canada's first peacekeepers. In 1874, in one of the actions which made us a trans-continental nation, the North-West Mounted Police marched west, across 1,000 miles to establish by their presence, the rule of law in the Canadian west. They brought order, not force, and by their conduct, established a respect that endures to this day, and has made them one of the most admired police forces in the world. They would carry to Namibia, not only their skills, but their reputation as keepers of the peace.

This would be the first time in Canadian history that the RCMP has undertaken such a role. In order to be ready, their Commissioner asked for 100 volunteers. So far, 2,000 members have responded to that call - from a total force of over 14,000. We believe that Canadian mounties, who more than a century ago brought a universal respect for law and order to our own West, can extend that tradition to Namibia, as that new nation finally comes of age.

This is an unprecedented and challenging period in world affairs.

On the one hand, there is real movement on problems that, not long ago, seemed intractable - that is true in Southern Africa, in Indochina, in parts of the Middle East and, most dramatically, in East-West relations.

At the same time, the sense of crisis becomes more acute. Our climate is changing, bringing drought, or inundation, or threats to our very survival. New diseases develop. New technologies allow proliferation of the most deadly weapons. Terrorism becomes more widespread.

What is common about these problems is that none of them can be solved by one nation acting alone, nor by one group of powerful nations concerting their will.

In the past, we assumed the world could survive man's worst excesses. Now, in an age of suitcase bombs, and the AIDS pandemic, and holes in the ozone, there is doubt about that elemental ability to survive. Doubt, but not despair - indeed the opposite of despair. What marks this period in world affairs is an activism and a pragmatism which yield surprising results. And they come together here, in this United Nations.

We are entering an era where the words of the UN Charter must cease to be goals to which we aspire; they must become descriptions of our common action. And the term "United Nations" cannot simply be the name of our institution; it must become a statement of our common purpose.

Who today can imagine a nuclear war in which there are winners and losers?

Who can envisage a conventional war in Europe which does not consume the prize?

Who can construct a solution to the debt crisis which does not involve compromise?

Who can foresee a cleaner global environment without international cooperation and joint action?

And who can imagine a resolution of the many crises in the developing world without a reasoned and productive dialogue with the developed world?

In the past, it was the adherents of unilateralism who were known as realists and the advocates of co-operation who were labelled idealists.

I submit that the reverse is now the case.

Co-operation is now the new realism, and pragmatism is the path to progress.

Much has been accomplished in recent months and years; much more remains to be done.

Within the East-West relationship, there is a new willingness to abandon sterile linkages, and to seek solutions to tractable problems even when other areas remain contentious.

This welcome attitude has invigorated this institution and brought hope to many conflicts and regions of the world. We encourage its continuance.

Arms control is now characterized by real compromise and give and take. Problems which are truly acute are being addressed first. Areas where technology threatens to overtake politics are being given priority. And the unnecessarily large and undesirably unstable balance in conventional forces is finally being dealt with head-on.

Canada warmly welcomes the significant progress made in recent days by the United States and the Soviet Union on a variety of fundamental issues.

In particular, movement towards the abandonment of the linkage between research on strategic defence and progress on strategic nuclear arms control is a very positive development.

So too is the progress registered on eliminating chemical weapons, including the exchange of data on stocks. We strongly welcome President Bush's offer to reduce stockpiles to less than twenty percent of current levels while efforts continue in Geneva to negotiate a chemical weapons Convention.

Canada also endorses the US and Soviet agreement to explore an Open Skies arrangement between NATO and the Warsaw Pact.

Such an arrangement would be daring in its simplicity, yet pathbreaking in its consequences; an agreement that the aircraft of each member of both Alliances could enter the airspace of the other Alliance subject only to basic air safety regulations. This would increase the assurance of every Member that military activities were not becoming preparations for surprise attack.

From the beginning, we have urged the United States to move forward with this visionary proposal, and to make it an Alliance-to-Alliance arrangement.

An Open Skies agreement would be a compelling symbol of the new East-West relationship. It would build confidence and serve as a useful vehicle for the verification of other agreements, including an eventual agreement on conventional forces in Europe.

We are prepared to go beyond moral support. On Sunday, after consultations among NATO and the Warsaw Pact, Prime Minister Mulroney announced Canada's offer to host an Inter-Alliance Conference, as early as November, in order to explore the possibilities of a formal agreement on Open Skies.

It is of fundamental importance to deepen and widen East-West relations.

A stable structure of peace cannot endure if its only component is concurrence on arms control, no matter how far-reaching that Agreement is.

Enduring peace requires understanding, a sense of shared problems and a shared stake in the future. Above all, it demands a sense on each side that the survival of the other is in its own best interest. What is required is agreement not only on the avoidance of war but also on the advantages of peace.

Therefore we welcome and encourage the broadening dialogue on regional, economic, social and environmental matters.

It is for this reason that Canada has strongly supported expanding the field of activity of NATO, that is pursuing more energetically the Alliance's mandate for political and social dialogue. In this connection, during NATO's most recent Summit, a Canadian proposal was adopted to assist young political leaders in learning how to make democracy work. More initiatives of this type are required.

The progress in East-West relations owes much to the refreshing breezes of change sweeping Eastern Europe and the USSR. Ideology is giving way to compromise. Governments are recognizing that the old ways do not work; that new strategies are required; that lessons may be learned abroad; and the co-operation in the economic and social spheres does not constitute an acknowledgement of defeat but is rather a recipe for success.

Canada's support for the changes now underway in the East is unequivocal. There must be no turning-back and that requires imagination in the West as to strengthen this remarkable process of reform and liberalization.

- In the Eastern bloc and elsewhere around the world, the turning towards democracy and the expansion of the market place is a welcome victory for pragmatism and realism.

Totalitarianism is fading not because it is regarded by its subjects as wrong; it is being discredited because it doesn't work. It doesn't deliver.

Democracy is not only a set of values; it is also a statement that there is no monopoly on truth, that different groups at different times may have different solutions to different problems. It is the politics of pragmatism. It works. It delivers.

A free market is not simply a particular means of ordering the economy. It is a framework which enables the individual to act on his or her own merits, efforts and capacities. It conforms to human nature. It is the economics of pragmatism. It works. It delivers.

It is for this reason that Canada welcomes the tide of democratization and the shift to the market place evident around the globe. On this trend rests the hope for social stability. And such stability is a firm foundation for international peace.

The past months have seen remarkable progress in many regional conflicts which have posed serious threats to global stability and caused untold sorrow for their victims.

The Soviet withdrawal from Afghanistan; the settlements in Angola and Namibia; the ceasefire in the Iran-Iraq war; and the progress evident in Central America; all are testimony to a new willingness to compromise. They are also testimony to the crucial role played by this organization and its Secretary-General in the search for global order.

Much more needs to be done. There is a difference between the absence of war and the presence of peace. The international community must continue to do everything in its power to ensure that the processes now underway in these troubled regions move from truce to settlement, from stand-off to stand-down.

We believe it is particularly important to maintain the pressure against apartheid. There are real reasons for encouragement. President de Klerk has promised reform and has demonstrated both flexibility and imagination. The African National Congress has shown courage and foresight in preparing itself to participate in genuine negotiations. Popular demonstrations in South Africa, and their tolerance by the authorities, reflect a popular will that reaches across colour. International attention, and the use and threat of sanctions, have contributed to this climate of change, and they must not be relaxed until real reform occurs.

In many regions of the world, children starve and adults perish as old conflicts born of hatred and greed continue to fester, cheating future generations and defiling the honour of ancient civilizations.

In Lebanon, blood continues to be spilt in a tragic struggle for domination in this once noble land which is now being destroyed by those who would be its ruler. We renew the call for the withdrawal of all foreign troops from Lebanon and reiterate our strong support for the efforts of the Tripartite Committee of the Arab League.

In the Middle East, there is an urgent need for confidence and dialogue. We support Israel's proposals for direct elections in the occupied territories. We welcome the moderation evident in the positions of the PLO. But much more confidence-building is needed on both sides if these initial gestures are to be translated into a meaningful peace process for this troubled and war-ravaged region. Canada welcomes President Mubarak's imaginative ten-point plan as one avenue out of the current impasse.

And in Cambodia, the recent international conference in Paris which was called to explore an end to this tragedy failed to produce an agreement due to many outstanding differences between the parties. It is to be hoped that the future will bring compromise before this land endures yet another bloody conflict. However, I believe the Paris Conference served a positive purpose: it has put the issue firmly on the international agenda and identified international control mechanisms and reconstruction processes which can be brought into play when a settlement is reached.

As some regional conflicts have been brought under control, the unique and important UN instrument of peacekeeping has been brought to bear. At the same time, welcome and pragmatic suggestions are being made to improve operations and funding. Canada supports the Secretary-General's call to provide peacekeeping with a rational and secure funding base. Peacekeeping has become too important to the mission of this Organization to be subject to charity or whim.

One of the central tasks of this Organization has been to weave a new fabric of international law. This it has done assiduously, often without fanfare. The foundation is being laid for an international society governed by legal principles and codes of conduct. As with domestic society, stability is not possible without law - and law is powerless without consensus. The integration into domestic law of the rights codified by the UN in its Declaration of Human Rights and the covenants on racial discrimination and the rights of women - this is testimony to a growing international consensus. We must build on this success by acting this year to approve the Convention on the Rights of the Child.

We are witnessing today a profound transformation in the substance of international discourse. Issues once thought intractable are now remarkably close to resolution. And issues once considered the province of domestic governments are now the focus of international activity. These are on the international agenda because they are pressing and because no state no matter how powerful or well-intentioned can resolve them on its own.

Thus the environment is emerging as the most important international challenge of the remainder of this century and the next. In a very few years, the environment will be seen as a threat to human existence in the same way nuclear war has been regarded in the past. It is now a challenge to national survival. It is also an area where the distinction between the domestic and the international agenda is collapsing. Pollution knows no borders. In the end, we all share the same air and water; we all suffer from its corruption or its loss.

Let us agree during this Assembly to hold the proposed Conference on the Environment and Development in 1992. Let us move forward towards a Climate Change Convention where Canada has played a lead role in the development of a UN draft. And let us start a realistic dialogue between the developed and developing world on this environmental scourge which threatens all States, rich and poor.

I detect today a new and welcome wind of change in the stale and unproductive state of relations between North and South which marked the 1970s and the first part of this decade. There is a growing recognition that grand, vague visions must give way to pragmatic dialogue, and that attributing blame does little to solve problems.

In fact, without fanfare and grand initiative, a new process of dialogue has already begun between the developed and developing world.

- In the Cairns Group, diverse countries such as Canada and Thailand, Australia and Argentina have joined together on agricultural issues.
- In international financial institutions, the debt crisis is being approached with a new spirit of realism and a sense of shared risk. Economic prescriptions are now being married with political and social considerations. This sensitivity is required if fledgling democracies and fragile societies are not to collapse over the wrenching effect of debt repayments.
- In the Commonwealth, a multi-racial and global membership has allowed for increasing pressure against apartheid.
- In La Francophonie, new programs to preserve the French heritage and promote distance-learning are emerging, and human rights are now on the agenda for the first time.
- And within the Non-Aligned Movement, there is a refreshing determination to put ideology aside and seek practical co-operation with the developed world.

I attended the NAM Summit in Belgrade as a guest, I did so in search of common ground on a variety of international issues, I was impressed by the new spirit of moderation shown by many members, as I was by the wise and deft chairmanship of Yugoslavia. I quote from their Final Declaration:

"We are not to be burdened with prejudice or dogma".

I attended the NAM Conference not because Canada is questioning its Alliances. We are a proud and permanent Member of NATO. We are committed to a market economy and liberal democracy. I attended because Canada happens to share a world with the Non-Aligned Movement.

At Belgrade, I took the opportunity to explore further the proposal made by India, Egypt, Senegal and Venezuela during the Paris Economic Summit for a serious and responsible dialogue on issues of concern to us all. Canada, along with France, supported it in principle at Paris. I reiterate that support now, and suggest some variations that may make the concept more effective.

We should all learn from the mistakes of our past, set aside our differing world views, and come together, collectively and calmly, to discuss particular problems whose resolution we all seek.

Canada believes it is useful to encourage intensive consultations leading to a new conversation between the developed and the developing world, a conversation on focussed issues, with a view to arriving at joint action for a common cause.

Conversation, not confrontation. We cannot remake the world anew. But we can - and we must - redress the errors of the past - methodically, pragmatically, realistically and collectively.

Discussions on the environment, on drugs, on investment, trade and debt are worthy of early pursuit. The agenda should be balanced, covering issues of interest to both the developed and developing world. We will be pursuing this question actively in the months ahead with our G-7 partners and the developing world. Soviet involvement in this effort would be welcome, giving them the opportunity to further act on their interest in contributing to the international order. It would also reflect the universal nature of this challenge.

In this connection the coming year will provide two opportunities to encourage this new dialogue:

- the Special Session on the Revitalization of Growth and Development; and
- the elaboration of the Fourth International Development Strategy.

These two events can contribute to a new understanding of the basis for sustained economic growth and development, particularly for developing countries.

The challenge before us today is to alter our traditional behaviour at an unprecedented rate, in the face of a planet showing so many signs of use and abuse.

We know only too well the litany of global horrors before us:

- A burgeoning global population whose size will expand by almost 3.5 billion in thirty-five short years.
- An ailing environment whose forests are dying or disappearing, whose air is being poisoned, and whose oceans and rivers are becoming dump-sites and cesspools.
- 14 million children dying each year from common illness and poor nutrition.
- A generation debilitated by drugs, the world trade in which now exceeds the value of trade in oil and is second only to the arms trade.
- Dozens of economies unable to simultaneously pay for past mistakes and develop a successful future.
- And the proliferation of weapons - chemical and nuclear, as well as the spreading technology of weapon delivery systems - creating a time bomb which threatens the relief we now feel at the superpowers' new-found co-operation.

This Organization, like other international assemblies, reflects the world from which it draws its members and its mission.

There have been many successes:

- the quiet but spectacular victories of UNICEF, the UNHCR and the World Health Organization;
- the triumph of peacekeeping - 50,000 participants of which so deservedly received the Nobel Prize;
- the mediation of disputes, so honourably presided over by the present Secretary-General.

But there have also been failures, opportunities lost to dated ideology and the lack of political will. The challenge posed by the future is not to invent new institutions but to make this UN family of institutions work more effectively and humanely.

Mr. President, we are in a new type of race in which we will either all be winners or we will all be losers.

Let us lay to rest the worn out stereotypes of the past.

Let us set aside our differences and work forthrightly for a secure global future.

Let us consecrate ourselves anew as United Nations.

And let us confront squarely the problems of our era as men and women aware of the challenges before us, mindful of the consequences of failure, and dedicated to solutions that will work, not dreams that will die.

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STATEMENTS AND SPEECHES



Speech by

The Right Honourable Joe Clark,
Secretary of State for External Affairs,
at a luncheon hosted by the
Council on Foreign Relations

Canada

New York, United States

September 28, 1989

INTRODUCTION

The Secretary of State for External Affairs, the Right Honourable Joe Clark, today delivered a keynote foreign policy address on South Africa to the prestigious Council on Foreign Relations in New York.

This is the first major speech on the subject by Mr. Clark since the South African election on September 6.

The speech clearly spells out the Canadian Government's agenda on this issue leading up to the Commonwealth heads of Government meeting in Kuala Lumpur from October 18 to 24. Specifically, the speech outlines the rationale for Canadian policy towards South Africa, describes the circumstances surrounding this pivotal moment in the region's history and outlines practical suggestions on how the international community can encourage the process of substantial reform.

Mr. Clark will accompany Prime Minister Mulroney to this summit, and will submit a report to the meeting as Chairman of the Commonwealth Committee of Foreign Minister.

Ladies and Gentlemen

This has been a week of important developments in East-West relations, and especially arms control. And, in Canada-US relations, this has been a year in which history has been changed, particularly with the Free Trade Agreement, but also respecting the progress we are making together to control acid rain. More generally, the world is in the midst of an extraordinarily productive period in international affairs - in Afghanistan, in Indochina, in the Gulf, in southern Africa, in Central America, in Lebanon, there is real movement on problems that, not long ago, had seemed intractable. In Hungary, in Poland, in the Soviet Union itself, systems and assumptions are being turned on their head.

In one way or another, Canada is involved in all these issues.

Against this background, it may seem unusual that a Canadian Foreign Minister would come before the Council on Foreign Relations to talk about apartheid, a system we have all condemned for decades, in a country almost literally at the other end of the world.

We start from a premise with which few would disagree - that it is an unacceptable affront to civilized values to deny fundamental rights to large segments of a population because of their colour.

But there is an abundance of evil and injustice in the world, and the Government of Prime Minister Mulroney chose deliberately to put Canada in the front lines of the battle against apartheid.

I would like to outline today the rationale for that policy; describe what I believe is a pivotal moment in the history of the region; and offer some thoughts on how we in the West can further encourage the process of reform.

The protection and advancement of human rights around the world is a central element of Canadian foreign policy.

It has been a priority of our Prime Minister from the beginning - whether in China, the Eastern Bloc, Central America, Zimbabwe, or Korea. He secured the adoption by the 44 Members of La Francophonie of their first formal Declaration concerning human rights.

Our concern for human rights is not merely a moral judgment. It also reflects a deeply held belief that prosperity and social stability are firmly anchored only by freedom, and that tyranny is ultimately a recipe for chaos and poverty.

That is a proper pursuit for a western democracy which has been blessed with the fruits of freedom. It is also natural for a nation of immigrants, many of whom know only too well the withering burden of oppression. For Canadians, as for Americans, the defence of human rights is an obligation of a free people.

But the fight against apartheid has been an element of Canadian foreign policy not simply because the cause is so compelling. Canada has also believed that this is a question where we can make a difference.

That is because Canada enjoys a good and strong relationship with South Africa's black neighbours. We do not carry the colonial baggage of some other Western countries. We are active members of the Commonwealth, La Francophonie and the G-7 - in fact the only country to belong to all of these groups. That is important where co-operative action is the most effective force for change.

The role of the Commonwealth in the fight against apartheid has been central. It has been in the vanguard, as it was in setting the framework for the evolution of Rhodesia to Zimbabwe. Its membership is global and multi-racial. It is well representative of the African region. It crosses the line between the developed and the developing world.

The Commonwealth has been important in two crucial respects. First, it has put the apartheid issue on the international agenda. Without the leadership of the Commonwealth, I think it is fair to say that the world community's focus on South Africa would be weaker and far less coherent.

Second, and just as important, the Commonwealth has acted as an on-going forum for reasoned dialogue. Through the process of formulating policies and designing courses of action, an invaluable and unique exchange of views has enriched the understanding of all its members. Rigidities and unrealistic stances have been avoided. The result has been an integrated strategy to both put pressure on South Africa and to encourage - in a positive sense - dialogue and compromise between the parties.

In 1985, the Commonwealth Heads of Government meeting in Nassau set the agenda for international action on South Africa. An agreed package of sanctions was adopted and the Eminent Persons Group was created. Seven leading citizens from five continents - a former Prime Minister of Australia, a former President of Nigeria, a former Chancellor of the Exchequer of a Conservative Government in Great Britain, a former President of the World Council of Churches from the Bahamas, and Archbishop of the Anglican Church of Canada, - spent four months in Africa, speaking to all sides, seeking a peaceful solution. Their Report defined a negotiating concept that would lead to peaceful acceptable change. Unfortunately, on the day these Eminent Persons returned to Cape Town, the South African Government bombed the headquarters of the African National Congress in Lusaka, and the hope of negotiations was stalled. The next Heads of Government meeting in Vancouver in 1987 established a Committee of Commonwealth Foreign Ministers which has since served to provide an on-going forum for considered debate and to refine the Commonwealth's approach. The October Commonwealth Heads of Government meeting in Kuala Lumpur this year will provide an important opportunity to review the aftermath of the elections in South Africa and to consider new means by which the process of reform can be made inevitable.

Since the 1985 Commonwealth meeting, no country has adopted more measures designed to end apartheid and encourage dialogue than has Canada - over 50 distinct steps. These have ranged from financial and trade sanctions to assistance programs for the education of blacks; from a ban on sporting contacts to support to the Front Line States; from an embargo on the import of South African arms to support for workshops and conferences which have brought together South Africans of all races.

The purpose of Canadian policy has been clear and constant: to convince South Africa that it must abolish the system of apartheid. From the outset, this has dictated the specific approach we have taken.

That approach was based on a recognition the change would not come without pressure, and that pressure is most effective if exerted collectively, and steadily.

Simply expressing our disapproval would accomplish little with a regime so entrenched, so convinced, and so fearful that change would cost them everything. Indeed, for twenty-five years, Western countries spoke loudly against apartheid, but carried a small stick, and the system did not change. It was only when nations together began to impose sanctions that the seriousness of the opposition to apartheid became clear. Some Canadians have argued that we should have imposed full sanctions, and totally ended our diplomatic relations. The view of our government has been that a total rupture of that kind should only occur when all else had failed and the avenues to peaceful change had been closed.

Had we ended totally our relationship with South Africa, our influence would have expired with the one burst of emotion. Our ability to assist apartheid's foes inside South Africa would have been sharply diminished if our Embassy had been closed. Our capacity to monitor events would have disappeared. Our influence with our friends to mount joint pressure would have been weakened.

Our aim has been to promote change; it has not been to punish. And those measures we have adopted have had as their goal a change of behaviour. Decades of prejudice cannot be erased overnight, just as the power structure will not transform itself in an instant.

Therefore, we have pursued an approach of consistent and constant pressure designed to induce a process of peaceful change in South Africa.

We have had disagreements with others, notably the United Kingdom, on the effectiveness of sanctions. Their position, described briefly, has been that sanctions do not work and that they hurt those most in need. Our position has been that sanctions are necessary to convince the South African regime that change is necessary. Words won't work, but targetted pressure will, and there is no better target than the pocket book.

However, our policy also recognized that while sanctions were necessary, they were not sufficient. Therefore, we also emphasized positive measures to increase understanding. We have funded the efforts at dialogue, including conferences between moderates on both sides. We have provided assistance to the Front Line States to help them become more independent of South Africa. We have moved to counter the pernicious censorship and propaganda of Pretoria. We will continue to do so.

And we have pursued this policy with others, recognizing that on this issue there is no better approach than one of concerted action.

What have been the results of our efforts?

To begin with, we can state without equivocation that sanctions have worked - particularly financial sanctions. The ban on new loans and the renegotiation of debt for progressively shorter periods at higher rates hurts the South African economy. Scarce capital is syphoned off. Growth is stunted. Business confidence is weakened. The ability of Pretoria to fund its extraordinarily expensive security apparatus is shaken.

The effect of sanctions was recognized by the former Governor of the Reserve Bank of South Africa, the late Gerhard de Kock, when he stated in May, before his resignation, that South Africa was "bleeding". He warned that "if adequate progress is not made in political and constitutional reform, South Africa's relationships with the rest of the world are unlikely to improve".

The damaging effect of sanctions is also being recognized at the political level. Former Junior Foreign Minister Kobus Meiring declared in Cape Town in July that "we have to break the isolation to get the money we need for development ... How do we do it? It is as simple as this; we have to make ourselves acceptable".

Law and Order Minister Vlok conceded that same month that "our ability to make decisions is limited. If sanctions are introduced against us we can do nothing ... We do not live alone in this world".

And President de Klerk himself has referred to "the international stangehold which ... is presently inflicted on our economic growth potential".

It is a long way from the recognition of a problem - and its source - to an acceptable response. But it is an important step.

Of course, action by the major US and West European banks will be key. That is why the Commonwealth despatched a group of officials to the current round of debt negotiations to encourage cooperation in this regard, encouraging an elimination of multi-year debt rescheduling, and higher repayment terms over shorter periods.

This delegation - composed of senior officials from Australia, India and Canada - returned on September 22, having spoken to 12 of the 14 major banks involved in rescheduling negotiations with South Africa. They reported a keen interest in their views, and believe that the major banks were influenced by what they had to say. Most banks agreed that they would be seeking the highest possible interest payments and the fastest possible repayment of capital - a function also of their assessment of the deteriorating South African economy.

Pocket books are being hit. It is not a question of convincing the whites in South Africa that change is desirable; it is a question of convincing them that change is necessary.

In short, apartheid must become unaffordable. We are beginning to succeed in this challenge.

So far, the tangible results have been disappointing.

Despite the sweet-sounding promise of reform, it is clear that none of the major instruments of apartheid has yet to be dismantled.

Yet there are new and more positive signs, whispers in the wind, which may or may not be harbingers of a better future.

The settlement in Namibia has been one positive development. Clearly, the South African Government compromised where it had not before. We must await the results of the Namibian elections to form a final judgment. While sceptics might say that South Africa was driven more by a sober assessment of the chances of victory and the mounting death toll and that a settlement in Namibia may have been judged a way to buy time with the international community, the settlement itself was nevertheless welcome.

The South African election has introduced a new dynamic. The number of seats held by the current government has been reduced. The strength of the parties on the right has been bolstered. But so too have the political forces of change and reform.

Although a shift to violence, retrenchment and repression is certainly possible, so too is change.

No one can predict whether the South African Government will follow through on its promise of reform. The violence of election eve does not prompt optimism, nor do the brutal police actions of recent days.

This being said, there are clearly more hopeful signs. The unprecedented peaceful march in Cape Town two weeks ago was welcome. So too were contacts between President de Klerk, Bishop Tutu and Alan Boesak and the talks with President Kaunda of Zambia. Marches and meetings do not constitute reform. But they can be a precursor to it. They may be a symbol that Mr. de Klerk intends to make history.

There are also signs that a new generation of South Africans is seeking change. The University campuses, once quiescent, are now the focus of heated debate and protest. Young, white middle class students are joining with the black majority in calling for fundamental changes.

And the Dutch Reformed Church, one of the bulwarks of Afrikaaner society, has now registered its moral opposition to an apartheid system it once supported. That is bound to have influence on a people proud of their moral standards.

Acceptable change requires active dialogue. Active dialogue requires an acceptance of the legitimacy of each party by the other. Mutual recognition of legitimacy depends on the acceptance of non-violence as the sole mechanism of change. These are the prerequisites of reform.

In this connection, we have been pleased by the moderation in the attitude of the African National Congress. That moderation has been encouraged by Canada, beginning with Prime Minister Mulroney's meeting with Oliver Tambo, the ANC's President in 1987. The ANC now talks about the desirability of peaceful, negotiated change rather than of violent revolution. It accepts, for the first time, the desirability of suspending violence prior to negotiations. It also recognizes that there are other legitimate voices of opposition in South Africa, and that discussion and co-operation with them are possibilities worthy of pursuit.

Allow me to quote from the ANC's recently adopted document providing guidelines and principles for approaching South Africa.

"We believe that a conjuncture of circumstances exists which, if there is a demonstrable readiness on the part of the Pretoria regime to engage in negotiations genuinely and seriously, could meet the possibility to end apartheid through negotiations".

Canada has never been naive about the ANC. In the past, we have disapproved of elements of their approach and criticized their actions.

But we accept their legitimacy. We believe they have now opened the door to serious dialogue. The excuse of a Communist threat is fading, as is the portrait of a black menace fixated only on violence and terror. The ANC's new conditions for negotiations closely mirror those adopted by the Commonwealth. It is now up to the white regime to reciprocate.

The preconditions for meaningful negotiations in South Africa remain as established by the Commonwealth in 1987:

- the lifting of the state of emergency;
- the release of Nelson Mandela and all other political prisoners;
- the unbanning of the ANC and other political parties;
- the mutual suspension of violence.

There is a hope that these steps may be closer to realization than under the previous government.

The real litmus test of the new South African government will be its willingness to negotiate with the legitimate leaders of the black majority.

Until then, pressure should not be lifted. Let that be clear.

Let it also be clear that in the absence of progress of this sort, collective action will increase. Others will join in.

Unless significant progress is made, the US Administration will come under new pressures for further action in the spring. Also let us not forget that Mrs. Thatcher is as opposed to apartheid as she is to sanctions. Her patience too has limits.

The fight against apartheid is not a quixotic exercise in moral diplomacy. It reflects a sober analysis of the economic potential of the southern African region, a potential which has been sadly stunted by apartheid. Some observers point to South Africa as a model of Western economic success in a desert of inefficiency and underdevelopment. While no one would deny the degree of development currently enjoyed by South Africa, we also cannot ignore the fact that the enormous economic costs of apartheid have prevented that country and the region from reaching anywhere near their full capacity. The dual social system of apartheid - apart from being abhorrent - is extremely costly. So too is the massive security apparatus which the regime must support in order to preserve the status quo.

There are rich mineral reserves and other natural resources in Mozambique, Zimbabwe and Angola. These economies are functioning far below capacity. This is partly as a result of the structural weaknesses of the South African economy to which they are so tied, but also because of the foregone benefits of foreign investment. Foreign corporations are not going to rush to invest in societies which are unstable as a result of South African support for rebel movements. Nor are they going to be inclined to invest heavily in economies whose transportation systems are subject to regular interruption by South African-inspired terrorism. I dare say Canada would be far less prosperous place if our rail, air and road networks were subject to periodic and systematic sabotage. So would the United States.

Canada is investing millions of dollars in the development of secure lines of supply for the states to the North of South Africa, lines of supply which connect these economies directly to ocean ports on the African coast. Other countries are doing the same, especially the UK, which has put \$60 millions into rail lines in Mozambique.

The bottom-line here is as follows: A southern Africa plagued by apartheid is a southern Africa which is economically crippled. A southern Africa freed of apartheid would be a southern Africa open to business. Indeed, the transition away from apartheid could trigger the long-sought economic development of the entire, impoverished African continent. This possibility is even more compelling when one looks at the welcome shift already evident in the region towards a market economy, for example in Mozambique.

But there is another point to be made here. The fight against apartheid is also important for the future of relations between the developed and the developing world. To a degree which must not be underestimated, the Third World regards attitudes towards apartheid as a crucial test of our commitment to the values we profess.

The Communist experiment in Africa has been a failure - as it has failed in Eastern Europe and in the USSR. The African continent and countries in other developing regions are open as never before to values and institutions closer to our own. There is a welcome new pragmatism - a new realism which challenges the hackneyed and sterile slogans of failed ideologies.

If we betray the future of a multi-racial South Africa, our ability to sustain reasoned dialogue with the developing world will suffer. Our morals will be judged hollow, mere cant disguising greed and self-interest.

And that will have consequences elsewhere - on the environment, on debt, on drugs, on terrorism.

The search for a realistic global dialogue on those issues where the very survival of the West requires co-operation with the Third World will be dealt a blow.

The atmosphere of the struggle against apartheid has been clouded by emotion - and by the very prejudice which lies at the heart of the problem. There have been too many slogans and too many smug answers; too much distrust and too little dialogue.

But when one clears away the clouds of rhetoric, there is one single, compelling statement of fact. And it is this: for South Africa, there are but two futures.

The first is a South Africa destroyed, impoverished through strife and bloodied by a racial war so horrific that recovery will take decades.

The second future is a South Africa coming to its senses just in time, ushering in an era of multi-racial co-operation. A South Africa which at last joined the rest of the modern world.

Of one thing we can be sure. The present state of affairs cannot persist into the future.

A new clock started ticking on election day, September 6. That the international community is pausing in the aftermath of the election is not a weakening of resolve. The cyclical, historical pattern of increasing and receding pressure on South Africa is over. The pressure is now unyielding. Pretoria must understand that this time, the world demands action.

South Africa will remain on the international agenda as long as it chooses to be. The action or inaction of Pretoria will determine the focus of Canada, the Commonwealth and other states and organizations on apartheid.

It is part of our Western tradition to be optimistic. That is what keeps us striving to improve the global lot. The tragedy of South Africa has been a potent challenge to this optimism.

Despite civilization's best efforts, history is littered with tragedies which, although foreseen, were not prevented. Let us hope that this is not the next example. And let us guide our actions to ensure that a decade hence, we can say we were there, we tried and we prevailed.

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STATEMENTS AND SPEECHES



DÉCLARATIONS ET DISCOURS

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Speech by
the Right Honourable Joe Clark,
Secretary of State for External Affairs,
on South Africa



Ottawa, Ontario
January 15, 1990

Archbishop Scott,

Distinguished Guests,

The events in Eastern Europe and the Soviet Union mark a profound change in world history - a change made more dramatic because it is sudden, surprising, spontaneous. Those changes are far from over; indeed, the next steps - of securing lasting reform and freedom - will be even more difficult. And it is both natural and right that the world should turn its attention urgently to how we help the people of Eastern Europe and the Soviet Union.

But it is equally important that we maintain policies and priorities that are leading to evident progress in other parts of the world. The Berlin Wall is a vicious symbol, and there is joy everywhere that it is coming down. But there are other walls - walls of ignorance and poverty, that programs of Official Development Assistance are helping to bring down; walls of resolute prejudice that will be broken only by the kind of campaign that we have waged together against apartheid.

I particularly welcome the occasion you provide me today to reiterate the high priority we attach to bringing down those other walls, in Africa and elsewhere, and to offer some reflections on developments in South Africa.

The fight against apartheid is a central element of the foreign policy of this Government, both because the cause is so compelling, and because we believe this is so clearly one of those international issues where Canada can make a difference.

That is because Canada enjoys a good and strong relationship with South Africa's black neighbours. We do not carry the colonial baggage of some other Western countries. We are active members of the Commonwealth, La Francophonie and the G-7 - indeed, the only country to belong to all of these groups. That is important where co-operative action is the most effective force for change.

The Commonwealth has been in the vanguard of the fight against apartheid, as it was in setting the framework for the evolution of Rhodesia to Zimbabwe. From the Nassau Conference onward, Canada has played a leading role in that Commonwealth campaign, whether in meetings of the Heads of Government, or in the Eminent Persons Group, or in the Commonwealth Committee of Foreign Ministers on Southern Africa.

Looking back just two years ago, to the early days of the South Africa Education Trust Fund, it is worth recalling that hope had all but disappeared for peaceful and fundamental change in South Africa. Apartheid's cruel face had not flinched in reaction to the popular uprisings of 1985 and 1986, and in February 1988, additional draconian measures were imposed.

Virtually all of the extra-Parliamentary groups were restricted, along with many individuals. Thousands remained detained without trial under a continued State of Emergency. Censorship was intensified and, ironically, was particularly effective outside South Africa, in taking apartheid out of the spotlight.

But South Africans did not give up. Neither did Canada.

There were periods of intense frustration, when some Canadians believed we should close our Embassy and cut our ties. We made it clear that, if other measures failed, we were prepared to take those final steps. But we knew that the price would be to drastically diminish our influence. So we chose not to walk away, but instead to increase our help to apartheid's foes within South Africa, to step up our involvement in events within that country, and increase our work with our friends outside to mount and maintain international pressure.

And now there are signs that we may be at a watershed in South Africa. Both the Government and the black majority recognize the need to move forward. Both are willing to contemplate peaceful change. The atmosphere is better than it has been for decades.

But there should be no illusions: apartheid is still very much with us. Optimism about what may happen must not cloud our understanding of what still exists. The pillars of apartheid - the Population Registration Act, the Group Areas Act, the Land Act, segregated education and health care, the homelands system, and above all, the denial of the vote to the black majority - those pillars still stand, cemented in law.

Repression is less intense but it has not stopped. The State of Emergency remains in force. Political trials and detentions have not ended. Although "whites-only" signs have been removed from the beaches, life remains essentially unchanged in the townships, squatter camps, rural farms and the homelands. The lives of ordinary blacks remain constrained and constricted by an unacceptable web of discriminatory regulations covering virtually every aspect of their lives.

Still there is reason to hope. Speculation has intensified concerning the imminent release of Nelson Mandela, with whom President de Klerk recently met. Mr. de Klerk has deliberately created expectations that he will announce significant political changes when Parliament meets at the beginning of February. He has said he is prepared to undertake fundamental change through genuine negotiations with representative leaders. He has warned fellow Afrikaners that only through such a process can they move to a secure future. The release of Walter Sisulu and other political prisoners is welcome, as is the decision to allow peaceful political marches, rallies and the recent Conference for a Democratic Future.

Most of the changes Mr. de Klerk has introduced have been symbolic rather than substantive. They change selectively the application of regulations rather than the regulations themselves. But the first steps have been encouraging.

Other changes are more significant. Notice has been given that the Separate Amenities Act will be scrapped. Of great long-term importance is the imposition of substantial curbs on the pernicious state security system.

The opposition outside Parliament is working out its own concept of how to construct a non-racial democracy. At every opportunity it reminds the de Klerk government, clearly and forcefully, that apartheid cannot be reformed; it must be abolished. Three million South Africans protested the exclusion of blacks from the September elections by staying away from work. Throughout the autumn, the Mass Democratic Movement organized peaceful and orderly mass protest marches. In December, the Conference for a Democratic Future demonstrated an encouraging degree of unity of purpose among the two thousand organizations represented.

Negotiations will not be easy. Nor will they be short. But they must begin, and the preliminary stages must not be prolonged. It is clear that meaningful negotiations cannot take place as long as legitimate parties to this dialogue are jailed, banned, or otherwise prevented from consulting with their constituencies.

The "Possible Negotiating Concept", drawn up by Archbishop Scott and the other Commonwealth Eminent Persons, called on Pretoria to remove the military from the townships; provide for freedom of assembly and discussion and suspend detention without trial; release Nelson Mandela and other political prisoners and detainees; unban the African National Congress and the Pan-Africanist Congress, and permit normal political activity. It called on the ANC and others to enter into negotiations and suspend violence. That concept remains as valid today as when it was first put forward, and has found resonance in subsequent proposals aimed at creating the necessary climate for negotiations.

For its part, the ANC has indicated, in the 1989 Harare Declaration, its clear preference for a peaceful, negotiated settlement. In the several meetings I have had with ANC leaders, they have confirmed that to me directly. The imperative of a peaceful solution was also recognized by Soviet Foreign Minister Shevardnadze in our recent discussions in Moscow.

Canada believes it is particularly significant that, last month, a unanimous resolution was adopted at the United Nations Special Session on Apartheid and its Destructive Consequences in Southern Africa.

The entire world community joined together in unprecedented fashion to urge that a climate be created in South Africa for genuine negotiations towards a non-racial democratic society, a society based on essential fundamental principles and human rights.

With that consensus declaration, the South African Government can be in no doubt that the world stands united in demanding that negotiations begin with genuine representatives of all the people, unfettered by restrictions, bannings or imprisonment.

It must understand that the release of Nelson Mandela must be accompanied by these other measures, in order that it may lead to genuine negotiations. It should also know that, when that occurs, the international community will be there to provide the assistance required to speed the peaceful transition to a truly non-racial democracy.

The pre-requisite for progress in South Africa has always been the acceptance of the necessity and inevitability of serious and meaningful negotiations. We may now be at this historic juncture.

How do we move the process forward?

Two requirements seem clear.

First, we must maintain international pressure, including sanctions, until there is clear evidence of irreversible change.

The sanctions imposed by Canada and the Commonwealth in 1985 and 1986 marked a turning point. There were closely followed by similar American and European sanctions.

Canadian measures were designed to hit major export sectors of the South African economy, particularly those sectors conducive to joint international action, and Canadian exports of sensitive goods. From the introduction of Canadian sanctions in 1986, until now, Canadian two-way trade with South Africa has dropped by almost a third.

Sanctions have worked. That has been well-documented and acknowledged by South African government and business leaders alike. Hit in their pocket books, South Africans increasingly recognize that change is vital. But until that recognition leads to action, pressure should not be lifted. There should not even be discussion of dismantling sanctions until we see evidence of clear and irreversible change. Indeed, it must be clear that new measures will be introduced if there is no change.

The second requirement is to recognize that, while sanctions are necessary, they are not sufficient. The ultimate goal is negotiation leading to change. It is appropriate, in present circumstances, to give relatively more priority to assisting the victims and opponents of apartheid, and to promoting dialogue among South Africans across the racial divide about a non-racial future.

Education is a major focus. In 1985 we launched the first phase of the Canadian Education Program for South Africa. This \$8 million initiative is comprised of four components: internal scholarships; initiatives in areas such as adult education and alternative schooling; labour education; and the in-Canada scholarship program. That latter program is implemented by the South Africa Education Trust Fund.

The Trust Fund plays an invaluable role. Promoting education and skills development among black South Africans is crucial to a successful, post-apartheid South Africa. But it also helps the process of change itself. In Canada, all levels of government, trade unions, business, universities and other institutions have risen to the challenge and offered, through the Trust Fund, work experience and educational opportunities to black South Africans.

Starting this year Canada will provide about \$15 million for an expanded second phase of the Canadian Education Program. These funds could not be better spent. The crisis in black education has never been as acute as it is now. Figures released this month show that only forty-two per cent of black students passed matriculation in 1989. The pass rate for whites was ninety-seven per cent. That is the legacy of separate education - which for blacks has meant a lack of facilities, a lack of qualified teachers and a lack of funding which has crippled black schools.

It is one thing to say that the future of all South Africans rests in the hands - and hearts and minds - of those students. But the more compelling reality is that those hands and hearts and minds must be prepared to meet the challenges of exercising power.

One challenge is to learn the technical skills of a modern economy. An equal challenge, perhaps even more important, is to encourage the attitudes of tolerance and co-operation which will be so essential in a post-apartheid South Africa.

Apartheid does what it says. It keeps people apart, and helps them fear one another, perhaps hate one another. Those walls of fear and hatred must be brought down.

Dialogue among South Africans of different races and backgrounds, on a common future, is vital to the creation of a non-racial society. Canada has supported scores of projects to this end through the innovative \$1.6 million Dialogue Fund.

Our contacts within South Africa have focussed almost exclusively on a majority that is out of power. We have sought to demonstrate our solidarity and support in practical and constructive ways, and we will continue and expand those activities.

It may now be time for us also to seek more contacts with white South Africans to encourage them to approach negotiations with generosity, without fear. Those in the white community who are embracing real reform need to know how much we respect and encourage them. Those who fear change should be reassured.

One activity which Canada intends to continue to pursue vigorously is the encouragement of the media in South Africa. We support virtually all of the alternative press in one form or another, as well as being the principal funder of both the Anti-Censorship Action Group and the Media Defense Trust Fund.

Our efforts have made a difference. Vrye Weekblad, the outspoken Afrikaans-language weekly, which recently broke the story on the operation of death squads, would not be in existence today were it not for Canadian Government support. On Christmas eve, 1988, the moving men were in Vrye Weekblad's offices to repossess their rented computers. The Canadian Embassy stepped in and bought the computers on the spot so that publication could continue. That newspaper has since become a crucial catalyst for change in the Afrikaner community

Canada has also been effective in supporting newspapers which are key vehicles for the black community in South Africa. Our provision of training, and the purchase of equipment, for the New Nation and Saamstaan has been a concrete expression of our support for the embattled opposition press.

The fight against apartheid is not a quixotic exercise in moral diplomacy. It reflects a sober analysis of the economic potential of the southern Africa region, a potential which has been sadly stunted by apartheid. •

Apartheid has imposed enormous social and political costs on South Africa. Segregating the social services under apartheid - apart from being abhorrent - is grossly inefficient. The massive security structure has come at great financial cost. And as we have seen in the current education crisis, apartheid is also tragically expensive in blighted lives and wasted human resources.

Apartheid has also been an enormous drag on the economic potential of South Africa's neighbours. But a southern Africa freed of apartheid would be a southern Africa open to business. South Africa could be a more important engine of growth. Indeed, the abolition of apartheid could trigger the long-sought economic development of the entire, impoverished African continent.

But there is another important point to be made here. The fight against apartheid is also important for the future of relations between the developed and developing world. To a degree which must not be underestimated, the Third World regards Western attitudes towards apartheid as a crucial test of our commitment to the values we profess.

A new political atmosphere appears to have taken root in South Africa - one that recognizes that only a negotiated political settlement can turn that country around. A golden final opportunity exists, but it must be grasped now and grasped firmly. If the dosages are too small, political change will lose momentum, and the moderation generated thus far will evaporate.

The world - including Canada - has been prepared to pause these past few months; willing to give Mr. de Klerk a chance to prove his declared intentions; willing to give rhetoric a chance to become reality.

On February 2, Parliament will reconvene in South Africa. In early May, the CFM, which I chair, will meet in Nigeria to discuss developments since Kuala Lumpur. These two dates bracket a period of immense significance for us all.

For during this period that Mr. de Klerk must prove he is not offering another "false spring". It is during this period that the majority in South Africa expects concrete progress towards real change. It is reasonable that, in the six months since his election, Mr. de Klerk has been preparing his hand. Now he must begin to show it.

We are entering a period when Mr. de Klerk's courage and imagination will be tested. And we are entering a period where flexibility and moderation will be required on all sides.

Canada, along with the majority in South Africa, expects a true Spring, not a false one.

STATEMENTS AND SPEECHES



DÉCLARATIONS ET DISCOURS

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Notes for a speech by
the Right Honourable Joe Clark,
Secretary of State for External Affairs,
at the University of Calgary,
on Canadian policy towards Latin America



Calgary, Alberta
February 1, 1990

Some Canadian attitudes towards foreign policy were developed when the world was smaller and Canada's interests were more limited. In the 1940's and 1950's Europe was at the centre of the world, and the compelling international challenge was to rebuild Europe after a devastating war, and strengthen or establish international institutions like the UN, and the world trading system. The Colombo Plan began our focus on international development, or aid in 1950. Before that, Canadian interests in Asia, Africa, or Latin America were left largely to traders, teachers, missionaries or others outside government.

Canada and the world have changed dramatically since those time. For more than ten years now, we have drawn more new citizens from Asia than from Europe, and our trade across the Pacific exceeds our trade across the Atlantic. We have become extensively involved in helping people in Africa, Asia and the Americas overcome disease and poverty and our role in international organizations has increased to the point that we are among a small handful of nations upon whom the world counts to make multilateral organizations work.

Of course we pursue our interests on the large and well-lit stages of international life - working with the United States, with Europe, with Japan, within the powerful Group of Seven of the Economic Summit. Those, indeed, consume most of our attention in foreign policy. And no one should ever discount their importance.

But much of what is distinctive about Canada's international identity emerges on smaller stages - in dramas where, often, Canada's contribution makes a decisive difference.

That is why we have been so active in Southern Africa. In the final analysis, apartheid will be ended by the people of that region, black and white. But there is no doubt that Canada's presence, our steady pressure, our tangible practical support for the opponents of apartheid, have helped the forces of peaceful change. We could have stood back from sanctions, as other Western countries did. We could have walked away in moral outrage, as some Canadians proposed. Instead, we apply Canada's pressure and prestige, steadily and reasonably, seeking to draw whites away from fear and prejudice, and to draw blacks away from fear and violence.

That is also why Canada sought a place at the Peace Conference on Cambodia, and Co-chaired the Committee which designed a system of peacekeeping and verification.

And that is why we are increasing our role in Latin America, and have decided to join the Organization of American States.

Some Canadians believe that Latin America is not a priority for Canada, and that we have neither major interests nor real influence there. We disagree.

Many of the problems which plague the globe have a direct relation to Latin America.

One major threat to the hemispheric environment is the tragic destruction of the Amazon rain forest, where so much of the oxygen which sustains the world is born.

Dangerous industrial chemicals - now outlawed in Canada - are showing up in our lakes and rivers, borne by winds and rain from Central America.

We in the industrialized northern part of this hemisphere must help others avoid the mistakes we have made, for this planet cannot sustain repeated assaults on its environment.

The pandemic of drug abuse is disfiguring societies in both North America and Latin America. It is the most destructive form of interdependence, where demand in North America is feeding production in Latin America, and vice versa. Here too, the only solution is to act together.

The awful burden of debt is particularly acute in Latin America, and poses a threat to the fledgling democracies of the hemisphere. It also threatens the entire global economic system, and therefore Canadian prosperity.

Those are problems of surpassing significance. We can't walk away from them. But what makes our active presence in Latin America so important now, is the fact that those problems are matched by a new opportunity in the region, an opportunity brought by a new openness and a new pragmatism.

Democracy is sweeping Latin America. Dictatorships are now very much the exception. Not long ago, they won.

In addition, economies are being opened up and trade barriers are coming down.

Governments throughout the region - whether in Bolivia, Uruguay, Mexico, Venezuela or Argentina - are exhibiting extraordinary courage in tackling serious economic problems.

But as the governments of Eastern Europe are also realizing, it is one thing to change politics. It is another to turn around an economy. Economic adjustments bring social tensions. Democracy does not tolerate repression. Governments in Latin America must accept the risk of social upheaval while rejecting the techniques of repression. They need our support.

We must do more than applaud the trend towards democracy and the open market. It is something we must actively encourage. Democracy is still a delicate flower. Canada has an opportunity -and an obligation - to help it grow firm roots.

I want to deal head-on with one argument frequently made against Canada becoming involved more extensively in Latin America. This is that Latin America is the United States' backyard. That Canada will, therefore, be forced to toe the American line - and thus be rendered impotent and irrelevant. Or that in expressing a view different from that of the US, Canada risks Washington's wrath on issues of greater importance to Canada.

Curiously, that argument is usually made by people who call themselves "nationalists". It is a peculiar form of nationalism which holds that we should avoid areas of the world - or organizations such as the OAS - because we might be forced to confront Washington. That is not a nationalist mentality. That is a colonial mentality.

If we are to assert our influence, secure our interests, and state our views, silence is an odd instrument. So too is isolation. The problems of the hemisphere will not be solved through benign neglect.

We can't have influence in Latin America by staying away.

And we certainly can't help solve problems - problems which affect Canada directly, like debt, like drugs, like the environment - if we stand apart from the nations and the organizations where these problems are addressed.

It is perverse to argue that, whenever Canada agrees with Washington, we are doing so for American reasons. Canadian interests do not automatically coincide with those of the United States. But neither do they automatically conflict.

When the U.S. agreed with us that fighting acid rain was a priority, they were not doing so for Canadian reasons. They agreed to fight acid rain because they became convinced that it was an American priority.

When Canada pushed hard for the Open Skies concept, we did not do so because the Americans wanted it. The proposal first surfaced in Washington. We pushed for it, expanded it, and got it on the NATO agenda because it met Canada's interests in East-West relations.

One of the problems with the OAS - and it is a real problem - is the frequent polarization between the U.S. and Latin America. Latin American governments - without exception and with real enthusiasm - welcomed Canada's initiative to join the OAS. It would be very odd if they did that because they believed we would compound the polarization. On the contrary, they think we can play a significant role in overcoming that problem. We were welcomed because of our tradition as an honest broker, a country of reason, a country whose skills and independence have helped breathe life into multilateral organizations ranging from the United Nations to the GATT, to the Commonwealth and La Francophonie. In addition to being part of the neighbourhood, we possess and exercise precisely the talents which can overcome confrontation.

Indeed these are precisely the talents Canada has been applying to help advance the peace process in Central America. From the outset, the five governments of that region turned to Canada to help design a peacekeeping mission. That effort led to the adoption, on November 8 last year, of a unanimous U.N. Security Council resolution which created a security verification group to supervise an eventual peace in Central America. The structure of the peace-keeping operation closely followed the recommendations which Canada made after studying the requirements for an effective U.N. presence.

That is the sort of useful role Canada has played - and will continue to play - in the region. It is a role which not all can play. And it is a role which requires some judgements to be made.

Some Canadian NGOs criticize Canada's continued relations with El Salvador, Guatemala and Honduras. We have been urged to cut off links, to walk away. Some European countries have done just that.

But when it came time to prepare for peace in Central America, it was not to those countries that the region turned. It was to Canada. For we maintained relations with the entire region - kept doors and borders open, to be in a position to assist when assistance was required.

Let me turn now to recent events in Panama.

When the United States intervened militarily in Panama, I made three points:

- The first was that Canada regretted the American action.
- The second was that we understood the reasons why the U.S. felt compelled to do what it did.
- And the third was that intervention by force is a very dangerous precedent.

No one would claim that the U.S. action was a high point in hemispheric relations. When Canada signed the OAS Charter, we, along with others members, signed on to the common principle of non-intervention in the affairs of other countries. Central America - as with the rest of Latin America - is not anybody's backyard.

What happened in Panama was the final act in a long series of efforts to bring democracy and civil order to that country. It followed a long series of provocations.

The May 1989 elections were declared null and void when General Noriega's candidate was about to lose.

You will recall the violence in the streets which followed that action - the terror directed against candidates who in normal circumstances would have won the election.

At that time, the U.S. was tempted to respond militarily. It did not, partly because various efforts were launched to find a peaceful solution. One of those efforts was launched by the Organization of American States. That effort failed.

There was then an abortive coup. Finally, there was the declaration by General Noriega that Panama was in a state of war with the United States. That was followed by the murder of a U.S. serviceman - who was in Panama as a result of U.S. treaty rights - and the harassment of his family.

That was the context of the U.S. action. Democracy had been attempted. It was thwarted. Peaceful solutions had been sought. The search had failed. Finally, after a murder and the declaration of a state of war, the U.S. decided to take action.

The important lessons of Panama go well beyond that episode. They relate to the social and economic conditions which have prevented democracy to grow firm roots. They relate to economic injustice and a history of human rights abuse. And they relate to a failure to build regional institutions which can prevent crisis from erupting and defuse them when they occur.

The challenge for Canada - and for the other states of this hemisphere - is to make intervention obsolete - obsolete not simply in law or practice, but obsolete in purpose. And the only way to do that is to help make democracy and prosperity not only the common rhetoric but also the common reality of the region.

The national doctrine which has provided the underpinning to past U.S. actions in Latin America is the Monroe Doctrine. This has its historical roots in the desire to exclude old European empires from this hemisphere and to preserve American economic advantage in the region. Latterly, it has been related to keeping communism out.

It is a historical fact that this has had its share of unfortunate consequences, not the least of which was an "anyone but a Communist" attitude whereby dictatorships divorced from the needs and aspirations of the people were accorded approval and support. Those regimes, in turn, through repression, economic mismanagement and denial of democracy, acted to exacerbate the very social tensions and inequalities which are the raw material for communism.

The lessons of this experience litter Latin American history. For Canada, the task ahead is to capitalize upon the current opportunity to encourage democracy, to build a new prosperity, and to construct a true community of nations in this hemisphere.

Those ambitious goals require hard work from the bottom up.

Our Latin America strategy is multi-faceted. Government has a role here. But so too does the private sector and individual Canadians. We must construct a web of new relations and understanding across many sectors.

One instrument is trade. We will mount trade missions throughout the region to seek areas for fair and mutual economic advantage - in agriculture, mining, oil and gas, forestry, and telecommunications .

Another is the shared fight against drugs, where we have given \$2 million in equipment to the Colombian drug enforcement agency and provided special RCMP training here in Canada.

A third is issue of debt, where Canada has provided over \$600 million in short-term bridge loans to Argentina, Mexico and Brazil in the lead-up to new agreements with the IMF, and where we chair the support group for Guyana, contributing \$60 million over the next three years to help that country establish a firm basis for future prosperity.

A fourth is peacekeeping, where we will contribute over 100 officers to ONUCA, the UN observer force for Central America, and where we stand ready to assist in Contra demobilization and the monitoring of a ceasefire in El Salvador, should that opportunity arise.

And a fifth is development assistance, where Canada will contribute \$100 million to the re-building of Central America after so many years of conflict.

The sort of building-block approach we will pursue was demonstrated most recently last week, where seven members of the Mexican Cabinet - the largest number to ever leave that country - came to Ottawa to meet with ten members of our Cabinet. The purpose was to lay the foundations for a new and expanded relationship. A number of agreements will be signed when the Prime Minister visits Mexico in March. They range from co-operation in agricultural research to expansion of tourism, from improved statistical systems to expanded trade, from environmental co-operation to joint action in drugs.

Mexico has announced that enhanced ties with Canada are a foreign policy priority. For Canada, a new partnership with Mexico is key to our Latin America strategy.

I would like to turn now to the OAS. The OAS is only one element of our Latin America strategy. That organization will not solve the problems of the hemisphere. Those problems have to be addressed by the countries of the hemisphere themselves. The imperfections of the OAS are but a reflection of the imperfections of its membership.

But the OAS has a role. And that role can be strengthened.

Canada has been asked to contribute to a working group of the OAS to do precisely that.

The OAS must be made a more effective forum for useful political dialogue. There is no magic solution here. The United Nations, which is currently undergoing a renaissance, has become more effective not because of any revision to its Charter or its procedures. It is simply being treated more seriously by its members - most notably the Soviet Union. We must explore all means available to have the OAS treated more seriously by its members.

The polarization within the OAS has also produced an extraordinary sensitivity to challenges to sovereignty in the region. That sensitivity has inhibited the use of the OAS for a political dialogue. Yet it must become a place of real dialogue, where disagreements might be resolved.

One step that might help would be to give the Secretary General the resources required to monitor and analyze developing situations on an ongoing basis, studies which could then trigger discussion within the OAS or further action by the Secretary General. I have in mind here the sort of Political Secretariat which has proven enormously useful to the Secretary General of the United Nations.

A second possibility is to encourage the Secretary General to act upon the new authority granted to him in 1988 to bring to the attention of OAS members issues which he believes might threaten the security of the region.

A third area for movement is the political profile of the OAS. I believe the OAS would be treated more seriously by its members if, as with other similar bodies, meetings were held at the Heads of Government level on a regular basis. It would be useful if, at an initial Heads of Government meeting, leaders could outline their specific views on how the OAS could be made more politically vital.

Finally, as the states of Latin America themselves become democratic, I believe we should expand the links between parliamentarians of the region, so that they can share perspectives and discuss issues of common concern.

There are also areas of functional co-operation which might be pursued by the OAS. Successful day-to-day programs are not the stuff of headlines; they do however constitute practical progress. A variety of possibilities should be explored, including:

- A Permanent OAS "Unit for Democratic Institutions", whose expertise could be called upon to co-operate in establishing and developing democratic institutions and in monitoring elections.
- A separate or affiliated unit which would conduct impartial investigations of irregularities in election or judicial processes if called upon by member states.

- An OAS 'Commission for Sustainable Development in the Hemisphere' which could prepare an annual report on the hemispheric environment, conduct studies and seminars on co-operative approaches to environmental action, and report to the OAS on a regular basis.
- An OAS Youth Exchange Program whereby youth from member states could experience the cultures of other countries in the region.
- An OAS program for the co-operative training of drug enforcement officers.

There are other possibilities. Canada will present the most promising to the OAS at its Assembly meeting in June.

There is one further area which warrants the attention of all states in the Americas. That is the place of Cuba. Cuba has isolated itself from this hemisphere. Many states in this hemisphere have isolated themselves from Cuba. No one would deny that Cuba has had a role in the current troubles in Central America. And few can look at the economic facts and not conclude that Cuba has suffered by exclusion from the hemisphere.

I will not ascribe blame here. I simply state that some of the current problems in Latin America could become more manageable if Cuba were brought back into the family of hemispheric nations.

Clearly the problems here are not easy to overcome. There is a lot of history, remembered personally and bitterly by influential people throughout the Americas. Perceptions and prejudices have taken firm roots. But I refuse to believe these are insurmountable.

Canada is a developed country with a unique standing among developing countries. We need to make more use of that standing. Last year, I applied to have Canada granted "guest" status at the meeting of the Non-Aligned Movement. I took the opportunity to pursue an idea proposed jointly by India, Egypt, Venezuela, Senegal and Yugoslavia, who had called for a renewed dialogue between the developed and developing world.

We need a new type of dialogue - pragmatic, realistic, conducted away from klieg lights and artificial deadlines.

Developing nations are discarding the unhelpful blinders of ideologies that don't work. They recognize that serious problems require joint effort; that ascribing blame is not a solution; that real partnerships must be built.

Equally, developed countries are moving away from a smug isolation. They are recognizing that the problems of the developing world are their problems too. That a laissez-faire approach to the future of this planet won't work. The developed world is also recognizing that new partnerships are required.

For Canada, this hemisphere is a good place to start to build this new partnership, bilaterally and multilaterally. The opportunities are great. So too are the challenges. And so is our responsibility.

Mikhail Gorbachev has called for a 'common European home'. I think its time that we in North America begin to think - and act - in terms of a 'common hemispheric home'. For too long, Canada has seen this hemisphere as our house; it is now time to make it our home. That is the challenge now before us. That is the purpose of our policy.

STATEMENTS
AND
SPEECHES



DÉCLARATIONS
ET
DISCOURS

90/3

Notes for a speech by
the Right Honourable Joe Clark,
Secretary of State for External Affairs,
at the Department of Political Science and Economics
of McGill University



Montreal, Quebec
February 5, 1990

Late last November, during one of the many massive demonstrations which filled Prague's Wenceslas Square, a sign was posted by a young Czech protestor. That sign told a story:

- Poland - 10 years
- Hungary - 10 months
- East Germany - 10 weeks
- Czechoslovakia - 10 days

And, five weeks later, he could have added:

- Romania - 10 hours

The pace and scope of change in Eastern Europe has been truly remarkable. Literally, no one predicted what has happened. And, more to the point, no one knows what will happen next.

The story is just beginning; it is only the opening act in a long drama whose plot we do not yet know.

In response to the revolution sweeping Europe, I initiated a review of Canada's policy towards the region. That review is almost complete, and I will be bringing the results to Cabinet in the next two weeks. Then I will bring the results of Cabinet discussions to the House of Commons Standing Committee on External Affairs and International Trade. This policy review is designed to help Canada participate as fully as possible in the historic changes in Europe. Because events are moving so fast, Canadian policy towards Europe will be under virtually constant review. What is happening in Eastern Europe is not just a change in current events, but a change in history. And we Canadians have an important place in that history.

What is at stake in Europe is nothing less than the successful replacement of the brittle postwar order which we have endured since 1945.

For 45 years, we have presided over a partial peace, a peace which has denied freedom to half a continent. It was a peace based on the constant threat of a new war.

We are presented today with the prospect for the first time in two generations of a Europe prosperous and free - a Europe woven together by a web of interdependence which would make the calculation of war irrational.

Who are the authors of this opportunity? The first is Mikhail Gorbachev, whose strong vision and steadfast purpose led him to openly acknowledge the abject failure of the 70-year old Soviet experiment, and to act forcefully upon that realization at home and abroad.

Abroad, by re-writing Soviet foreign policy, by making Moscow a responsible and reasoned great power in many corners of the globe and on most international issues.

And at home, by challenging the Soviet system - and the Soviet people - to discard the failed machinery of the command economy, to accept a new challenge: the challenge of building a new system based on self-reliance, initiative, and openness.

But Mr. Gorbachev's domestic message has gone well beyond the Soviet border. That message was also received by the people and ultimately by the governments of Eastern Europe. Gorbachev has done what we in the West would never have expected of a Soviet leader: he has accepted - even encouraged - the dissolution of the Soviet Empire in Eastern Europe.

The other authors of this great change are the peoples of Eastern Europe themselves. From Berlin to Bucharest, from the streets of Prague to the town square of Timasoara, they have risen in an unprecedented demonstration of the power of popular will. They have thrown out the old guard, seeking a freedom and prosperity denied them for over 40 years.

The reaction there - and the reaction here - to this remarkable revolution have been one of euphoria. But the time for euphoria is over. It is time to consolidate the gains made so far and to render real and enduring what has, until now, been hope and promise. The opportunity is immense, but so too are the challenges.

The countries of the East are embarked on an unprecedented two-track process of reform. One track is political - the abandonment of single party structures, the introduction of the ballot box, the construction of democracy.

The other track is economic - discarding the crippling constraints of the command economy and introducing a more open and freer market.

Each of these tracks has its challenges. But the pursuit of both simultaneously poses particularly various risks.

Glasnost throughout the East has been an impressive success. On television, radio and in the print media, the news is full of exposés, charges of past misdeeds and critiques of the old ways. In fact, the degree of frankness at times exceeds what we in the West have come to expect from our own.

However, the freedom to criticize and express becomes a double edged sword when reality itself is slow to change. Hidden failure is one thing. Openly acknowledged failure is another - particularly when the failure is allowed to remain unaddressed.

There is another challenge - the challenge of constructing democracy. Having wrested power from the old regimes, the new regimes must learn how to exercise power. And it is a new sort of power. Democratic power - the most subtle form of government.

None of these countries has had recent experience with democracy. And in many of them there is no history of democracy. Teaching tolerance in societies which have spent the last 40 years enduring intolerance is not an easy task. The limits of acceptable debate and the techniques of compromise are not easy to define. Democracy is not a gadget to be assembled with an instruction booklet. It is a state of mind, a cultural habit.

Eastern Europe is attempting to do in a matter of months - peacefully - what has taken us centuries to achieve.

One year ago, not one country in Eastern Europe had held a democratic election in over 40 years. By the end of this year, with the exception of Albania, the ballot box will have been tried in every country of the region.

So what awaits these brave, pioneering democrats? What awaits them is what has brought them to the threshold of power: economies in a state of virtual collapse, in such bad shape that it would almost be easier to start from scratch to salvage prosperity from the current mess.

Although the problems vary from country to country, there is a common illness and a common pathology. The symptoms are all too evident:

- outdated, and in some cases non-existent infrastructure;
- old, inefficient and outmoded industrial sectors;
- mountains of foreign debt;
- inflationary pressures;
- price and wage structures totally unrelated to cost;
- and currencies worth not much more than the paper they are written on.

Finally, there is a crisis of attitude. We tend to think that born in every human being is the desire to compete, to take the initiative. But these habits too are cultural. What if the people do not want to do what a successful market place requires? What if they resist the promise of profit and seek refuge in the old predictability of a command economy? What if they sit back and wait for the state to tell them how to be free?

The period of economic transition will be terrifying. Wages will drop. Prices will rise. Unemployment will soar. The clear danger here is that democracy, not the previous regime, will be blamed for the misery.

What is the role of the West in all this? Our role relates to the attitudes and principles we bring to this historic challenge, as much as it does to concrete initiatives. For it is these attitudes and principles which will help determine the choices we make and the risks we take.

The first requirement is an attitude of unstinting support for the reform efforts under way in the USSR and Eastern Europe. Given the issues at stake, we cannot be fair-weather friends. We must understand that in a profound way, we are in this together - and we are in this for keeps.

There is a tendency now to hold up the leaders of Eastern Europe and the USSR and examine them as if they were laboratory specimens, to peer at them and engage in premature public eulogies or obituaries.

Television trivializes everything through repetition. It tends to treat as significant only that which is new. Andy Warhol said that everyone was a hero for 15 minutes. He had a point. Today we see pundits portraying Mr. Gorbachev as yesterday's man, a flash in the pan - a bad bet. This is nonsense.

Television, radio and newspapers have played a major role in the reform sweeping the East. It has given a new meaning to the term 'the communications revolution'. We cannot overestimate the immense importance of continued Western support.

A related principle is patience. The road ahead will be rocky. There will be reverses and setbacks. But given the dimensions of the change, it would be astonishing if a smooth ride were possible. There are bound to be developments which Canadians will judge as disappointing, or unsettling, or even offensive. Rather than rush to these judgments, we must give reform every chance to succeed.

The third principle is a clear recognition of what we in the West can do - and what we cannot. We in the West cannot solve the problems facing the East. Ultimately, it is the peoples and governments of these countries who will make democracy and the open market work. This is as true in Eastern Europe as it is in Canada.

But we do have an important role. We can offer help when it is sought and we can provide a stable context for the development of democracy and prosperity.

That co-operation can be of an emergency nature - as with the \$12 million in food aid Canada is giving to Poland or the \$30 million we have contributed to supporting the Polish currency as they move towards an open market.

That co-operation can also be of a longer term nature - helping Eastern European governments develop the expertise to run a democracy and a modern economy. Such things as management training and statistical assistance are important here. So too is gradual integration into the Western financial system, as demonstrated by the Prime Minister's proposal that the USSR be given observer status at the GATT, his advocacy of a meeting between Mr. Gorbachev and the Host of the Economic Summit, and Canada's intent to join the new European Bank for Reconstruction and Development.

There is a fourth principle, though, which is as, or more, important than any of the others.

It is the over-arching requirement for stability. I do not mean stability for stability's sake. I do not mean simple military stability - I mean stability politically and economically as well as in the security field. And I mean stability for the purpose of proceeding with change. Stability is the singular foundation upon which new structures can be built with confidence.

We must recognize that at a time when everything seems to be changing, there is a premium on retaining what remains valid, on re-invigorating institutions which have served us well, and not discarding them blindly and prematurely.

And there is a premium as never before on careful co-ordination and consultation. In the mad rush to remake Europe, we cannot afford free-lancing or unilateralism, any more than we can contemplate isolationism or the search for unilateral advantage.

The requirement for stability extends to security arrangements.

Even Mr. Gorbachev, who once called for the abolition of NATO, now accepts its desirability as a framework of certainty in a period of great change. The struggle for prosperity and democracy will fail if insecurity is allowed to creep in. That means that reductions in national military capability should proceed under the umbrella of negotiated agreements. It also means that those negotiations themselves must keep pace with the political will, and grasp the opportunity now before us to increase security at vastly lower levels of armaments.

The requirement for stability in security arrangements also speak to the continued validity for the transatlantic security guarantee. For 40 years, European security has been based on the commitment of North America to the security of Europe. That commitment remains critical in the transition to a new security framework for Europe.

The principle of stability also extends to the question of institutional development. There are institutions with the West -and between East and West - whose membership and mandate make them ideal as fora for discussion and agreement on new programs and structures for Europe.

NATO, for example, is the only security organization whose membership encompasses both North America and Western Europe. As such, it remains the singular guarantee of Western security. NATO's arms control agenda - in the conventional and nuclear fields - must be pursued now with the same vigour which we have applied to maintaining a balance of military forces between East and West. But there is even more required. The definition of security should be expanded well beyond the accumulation of soldiers and arms into verification and confidence building.

The old NATO was based largely on a stark military mission. The new NATO will be based on a definition of security which goes beyond arms to the psychology and politics of security relations. NATO's long-term relevance will hinge on its ability to supplement its military role with a political mission.

Stability also requires that we use existing institutions with a comprehensive membership to lay the framework for political and economic co-operation across Europe. I refer here in particular to the Conference on Security and Co-operation in Europe, whose past accomplishments have helped embolden the peoples of the East to action, and whose role in the future can be even greater in uniting North America with Europe - East and West - in the pursuit of common goals and shared values. Ways must be found to further institutionalize, politicize and broaden the role of the CSCE in a new Europe. CSCE must become the drafting board for the new European architecture.

I would like to speak briefly about the re-unification of Germany. The division of Germany has been at the core of the division of Europe. As long as Germany remains divided, Europe too will remain divided. A united, free Germany holds the key to a united, free Europe.

Canada, along with NATO, has always supported the peaceful re-unification of Germany. We do so today. Accomplished peacefully, democratically, and in full accordance with the principles of the Helsinki Final Act, a united Germany can be a force for peace and prosperity throughout Europe.

But the very enormity of the opportunity mandates proceeding with great care. A successful re-unification process will hinge on the degree to which the leadership of the two Germanies approach their future with this in mind. We have been greatly encouraged by Chancellor Kohl's statesmanlike response to this challenge.

Some may wonder what Canada's particular interest is in all this. They may believe that our geography puts us away from the action. That we have outgrown Europe. That our future is on this continent - or perhaps in Asia - that it is no longer in Europe.

We reject that hypothesis completely. In a profound way, Canada is a European nation. Our two founding peoples are rooted there and millions of other Canadians owe their origins to the great cultures of Europe.

Our values are, historically, European values. The triumphs and travails of the human spirit there are our own.

Our economic prosperity is based on a global economic system which requires peace for prosperity. Threats to that peace are threats to our prosperity.

Two bloody wars this century have taught Canadians that security at home is meaningless without security in Europe.

Around the world, regional conflicts and problems have gone unattended - or in fact have been exacerbated - because of the tensions which have enveloped Europe.

And our economic prosperity is tied to a prosperous and free Europe, whose 320 million citizens in the West will form, in 1992, the largest single market in the world, and whose economies to the East form a vast, untapped market of great potential.

So it is in our interest that the brave peoples of the East succeed. It is not simply in their interest. It is our peace, not only their peace. It is our prosperity, not only their prosperity.

What sort of Europe does Canada seek?

- A new Europe which is free, governed by the principles of self-determination and non-interference.
- A new Europe which is democratic in its politics and committed to an open market in its economics.
- A new Europe which is imbued by a universal respect for the rights of the individual, for it is on this that democracy finally depends.
- A new Europe which is based on mutual security, where military forces are reduced to the minimum level required for security.

And, finally, we seek a new Europe which is an open Europe. A wall dividing Europe cannot be supplanted by a wall around Europe.

What is Canada's role in this? Our role is as one of the leading democracies of the West and one of the strongest economies in the world. We have a direct stake in the stable evolution of Europe.

We have unique characteristics to apply. Our own experience with federalism, and with the challenge respecting different cultures, has created special expertise and insight. We are a country with a strong economy, whose strength in a variety of sectors - telecommunications, transportation, the resource sector and management training - is world class.

Let me emphasize the multicultural reality. Often we describe that as simply a cultural or social advantage to Canada. It is also a business asset and a political asset. One in ten Canadians is of Soviet or East European heritage. These Canadians know the languages of Eastern Europe, understand the customs, and are familiar with the societies so foreign to much of the rest of the world.

That familiarity is a business advantage and something Canada can contribute to the East.

Already, Andrew Sarlos, the Hungarian-Canadian entrepreneur, is leading the way in establishing new enterprises in Budapest. Mr. Sarlos' expertise has been eagerly sought by the Hungarian leadership. He has established the First Hungary Fund, with investment of over \$80 million; he has just established the Central European Development Fund, with \$50 million in assets; and he is currently looking at opportunities in Czechoslovakia.

Thomas Bata, the Czech-Canadian industrialist, has returned to Czechoslovakia and is at this very moment advising President Havel on means to rebuild the Czech economy.

And the Reichmanns are involved in pulp and paper, oil and urban development projects in the USSR which could total \$1.6 billion in value.

Those are three prominent Canadian bridges to Eastern Europe and the Soviet Union, and there are thousands more, who deepen and enlarge Canada's opportunity to play a constructive part in the reforms in Europe.

The developments in Europe have spawned a whole new vocabulary in diplomatic discourse. We hear of a Common European Home, of a Confederation of Europe, of a new European Architecture.

This dialogue is important. What we do require now is vision. We do need new institutions. And we do need to re-invigorate old ones whose mission, designed to capitalize on to-day's opportunity, remains more valid than ever.

A Europe at peace with itself - prosperous, whole and free - is the goal of every Canadian. It will sustain our security. It will support our prosperity. It will fulfill our values.

Its attainment is important in and of itself. Yet it is also crucial if the world is to move on to the other problems pressing around the globe. The crises of debt, of drugs, of development, of regional conflict and of the environment.

The absorption of our energies in preventing conflict in Europe has distracted us from dealing with these other issues. And the divisions between East and West have themselves contributed to these problems through large defence budgets, wars, a competitive arms trade and the sheer neglect of other issues which is the product of opposing ideologies and interests.

A peaceful and prosperous Europe can free up our energies to tackle the global threats of the future. And Europe can itself act as a new example to the world - an example not of division, but unity; not of repression, but freedom; not of empire but self-determination.

Francis Fukuyama, a policy planner in the US State Department, has initiated a public furor with an article he published entitled "The End of History". Mr. Fukuyama is of the view that with the events in Eastern Europe, history, as the clash of values and ideologies, is now over.

That is a disturbingly narrow perspective. For the peoples of the East, history is not over; it has just begun. The values they have cherished - and which we share - are only now beginning to be fulfilled. And the values we hold together must now be fulfilled elsewhere, where the struggle for justice and freedom remains unwon.

As we start the final decade of the millennium, Canadians are fortunate to be on the hinge of history. We will do our part, as we can and we must, to ensure that the new renaissance on an old continent comes to pass.

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DÉCLARATIONS ET DISCOURS

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Notes for an address by
the Honourable John C. Crosbie,
Minister for International Trade,
at the Europe 1992 Conference



Vancouver, British Columbia
February 26, 1990

VANCOUVER - 1992

Ladies and Gentlemen

We are meeting here today at a time of dramatic change in the world order we have all known throughout our adult lives - changes that will likely make the 1990's the decade of Europe.

Clearly, it is a time of transition and uncertainty. But it is also a time of great hope and opportunity.

The purpose of today's conference is to help make sure that such change means opportunity for British Columbia.

As we all know, the attention of the world has recently been focused on the startling changes in Eastern Europe and the Soviet Union. But our focus today must be centered a bit further west, on the profound and ongoing changes known as Europe 1992.

I do not intend today to go through the ABC's of the program known as 1992. You have already heard from European and Canadian experts, and will hear more this afternoon. Let me simply remind you that 1992 is an ongoing process to remove the remaining barriers to the free movement of people, capital goods and services within the integrated common market of the European Community.

It is a process which goes well beyond our own trade agreement with the United States, with its drive towards political integration. But it is a process born of the same imperative - the need to create companies with the scale and specialization to compete internationally.

Like our FTA, it is not a process of harmonization, but one of mutual recognition. It is designed to liberalize and deregulate, rather than add a new level of regulation. At its root, it will allow a product or service marketed in one Community nation to be freely marketed and sold in the other 11 member states.

You will note my use of the word process. For it is important to recognize that 1992 is less an event than an ongoing process. And the process will no doubt continue even after January 1, 1993. In short, we are dealing with a moving target which requires constant monitoring and vigilance. At the same time, Europe beyond the Community is changing as well. As you are no doubt aware, the countries of EFTA-the six European Free Trade nations outside the Community - have agreed to start negotiations on an ambitious European Economic Space that would create a preferential arrangement involving 18 countries, creating a trading bloc from Iceland to Greece and adding a further 30 million more consumers to the 320 million citizens within the Community.

And we also know that the nations of Eastern Europe, with their additional 110 million consumers, are knocking on the door of the Community as well.

Add it all up - the 320 million people of the Community, the 30 million of EFTA and the 110 million of Eastern Europe - and one can see the immense opportunities and strength that may lie ahead in a common European house of 460 million people.

Of course, the Community by itself already plays a key role in the B.C. economy. Indeed, given the Pacific location of the province, the amount of existing trade - some \$2.5 billion in 1989 - may surprise many Canadians. In fact, B.C. currently accounts for nearly 1/4 of Canada's exports to the European Community, primarily forest products, fish, coal and copper. Clearly, B.C. has much at stake in the coming changes.

So, what are we doing to protect your interests, and how can we work together to seize the opportunities in a changing Europe?

Our national response begins with our broad economic strategy to improve our international competitiveness. It includes better market access to the United States through the FTA, so our companies can gain the strength to compete anywhere in the world. It includes the search for better access to European markets, through the ongoing GATT negotiations. It includes sales tax reform to make our exports more competitive and to lower the cost of investment. It involves ongoing deficit reduction to secure a future of low inflation and low interest rates; and it includes our pro-investment stance, which FTA, makes Canada an attractive location for European firms seeking to serve the North American market.

More directly, our response to 1992 has taken the form of four practical programs which are part of our broader trade and investment strategy called Going Global. Programs designed to:

- * inform Canadian business about the 1992 process;
- * ensure our voice is heard in Europe
- * encourage greater two-way links between Canadian and European firms; and
- * foster Canadian participation in major European R&D projects.

The first initiative, called the "European Challenge", involves the collection and dissemination of information. Its purpose is to study and explain the post-1992 market to Canadians - to translate information into knowledge.

To do this, our Department is sponsoring a series of studies on the single European market. Part one, entitled **Effects on Europe**, was released in April, and is being updated to reflect subsequent developments. Part 2 consists of 12 industry-sector reports to assess the effects on Canadian Trade, Investment and Technology Development. Four studies are now available including the forest products report being released today. Others will follow shortly.

We have also set up both public and private sector working groups to assist us in assessing the changes in Europe. Within the private sector, the ITAC - the International Trade Advisory Committee - has set up a task force on Europe 1992 led by David Culver, the former head of Alcan. And within the public sector, interdepartmental working groups are analyzing the effects EC legislation will have on specific industrial sectors - findings which are also providing useful data for our GATT negotiators. Some of these technical reports are also available today, involving agriculture, telecommunications, defence and metals and minerals, with others in their final stages.

All these reports will eventually be available on an on-line computer information service tailored for Canadian users. This information will be accessible through our Department and the International Trade Centers across the country.

Today's Conference is also part of this process of information dissemination. It is the third in a series of conferences that we are co-sponsoring with provincial governments. Future events will be held in Alberta in late March, and later in the Atlantic region.

So that is the first initiative - the "European Challenge". We believe it is vital that you keep informed of the changes, so that we can intervene appropriately to minimize obstructions or maximize the opportunities in change.

The second program, our "European Trade Policy Strategy", relates to how we ensure our voice is heard at the Central EC level and in key European capitals. For we are determined to protect Canadian interests in the Community as Europe prepares for 1992 and beyond.

These consultations with the Community fall under the umbrella of the unique Canada-E.C. framework agreement. In June, Canadian interests and concerns

were subjects of discussion when Secretary of State for External Affairs Joe Clark and I met with President Delors and Commissioners at a Joint Cooperation Committee Session in Brussels. And we are looking forward to the coming visit

of President Delors and Commissioner Andriessen at a similar Canada-E.C. Ministerial Meeting in Ottawa.

During the past year, I have also been working to increase our links at the political level in member states. Since January of 1988, I have travelled to 5 different European countries, the U.K., France, Italy, Germany and Spain. I co-chaired the first session of the joint Canada-Italy working group in Rome, as well as the Canada-France commission in Paris. I intend to continue to raise the flag.

But the primary framework for our dialogue with the EC remains the GATT. The General Agreement on Tariffs and Trade remains the most effective constraint we have on the behaviour of large powers like the Community and Japan. For middle power trading nations like ourselves, a functioning GATT is essential. And it will be increasingly important as the Community's external policies are modified by these internal market reforms. It is just one more reason why the current Uruguay Round of negotiations is of such importance to Canada.

Our third initiative, the "European Trade and Investment Development Strategy", reflects today's reality that international competition is no longer measured solely by trade and exports.

To gain access to foreign markets, and the full benefits of 1992, companies will increasingly need a visible and enduring presence secured through direct investment, corporate alliances and strategic partnerships.

One aspect of the program, is concerned with joint ventures, technology transfers and the promotion of industrial cooperation between Canadian and European firms. Our objective is to identify well established Canadian companies interested in developing such relationships.

Technology acquisition will also continue to be of importance to Canada. Through the Technology Inflow Program -T.I.P.- we are supporting the travel costs of firms like Microtel here in Burnaby seeking potential sources of technology. We expect, too, that the number of Technology Development Officers in Europe will be expanded. Focused activities will include up to ten incoming and outgoing technology missions in targeted sectors and five studies of European niche technology in sectors of interest to Canadian firms.

Incremental funding will also be added to the Investment Development Program to encourage an expansion of productive investment flows from Western Europe. Four full time investment counsellors are already located there to encourage such

investment. And we hope that an augmented corporate liaison program will also act to stimulate expansion of existing plant facilities - an important component of foreign investment in Canada.

Trade fairs are proven tools to introduce new products and establish representation. As companies like Ocean Fisheries here in Vancouver can attest, European trade fairs are selling fairs. Our goal is to increase Canada's presence at these major shows. Events such as the Paris Air Show, Telecom 91 and the Canada-U.K. Marketplace in London require our maximum participation. This past year, Canada has had 25 national stands in Europe. We plan on expanding our participation even further in 1990-91 to 31 national or core area stands at key European trade fairs, 27 information booths at other shows and 39 trade missions.

Another program, NEXOS - New Exporters to Overseas Markets - was announced last year as part of the World Market Trade Initiative program. The response has been so positive, and the demand so great, that it will be expanded under our "Going Global" strategy. It will introduce companies to European - style marketing and train them in such aspects of business as customs procedures and documentation, labelling, legal aspects and so on. We are planning at least 8 such missions this coming year, with 15 to 20 exporters who are new to Europe participating each time.

Our fourth major initiative, "The Science and Technology Strategy", is aimed at fostering Canadian participation in major European research and development projects in order to give us better access to European technology. We will be reinforcing our presence in Europe by taking a more active role in the Research and Development activities initiated and stimulated by the EC Commission. Funding will be provided for R&D missions, researcher exchanges, and joint projects to enable us to identify and assess specific opportunities arising from the massive new EC programs for research and development.

These, then, are the four components of our 1992 response:

- The European Challenge Initiative;
- The European Trade Policy Strategy;
- A European Trade and Investment Development Strategy, and;
- The Science and Technology Strategy.

All practical programs to assist you in participating in the new single European market of the 1990's.

I submit to you that our first responsibility as a government is to create the opportunities and the environment in which your talents can be used to their full potential. Your responsibility is to seize those opportunities. In this highly competitive world, our success or failure as a trading nation will surely depend on this partnership between the public and private sectors.

Please explore how these programs fit with your needs. They exist to be used and exploited.

These programs reflect our belief that we will be failing ourselves if we do not extend our reach and participate fully in the changing European order. And there can be no doubt that Canadians across this country have the ability, skills and talent to compete successfully in the Europe of the 1990's.

Already, there are many British Columbian firms showing the way. Chemetics International, a 1989 Canada export award winner, is a process-technology company that is serving customers all around the world. Applied Microsystems Ltd. has exported their oceanographic equipment to 25 countries around the world. The Rocky Mountain Bicycle Company won the bike of the year award in Europe with its Lamborghini of bicycles. Adagio Enterprise is selling Silk Lingerie to the French and the great Canadian Cider Exporters are selling cider to the British - surely two excellent examples of selling "coals to Newcastle". Softtouch systems, whose software services are scheduling the crews on European Airlines, Conair Aviation, whose fire fighting aircraft and systems for helicopters are assisting the French, Portuguese and Spanish, Okanagan Dried Fruits Ltd. whose products have entered the Swiss and British Cuisines - these companies have shown it can be done.

So I invite you all to take up the challenge and to find out how we can assist you. Because working together, we can catch the wave of change sweeping over Europe; and ride it to prosperity.

Thank you.

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STATEMENTS AND SPEECHES



DÉCLARATIONS ET DISCOURS

90/5

Statement in the House of Commons by
the Right Honourable Joe Clark,
Secretary of State for External Affairs,
on his visit to Southern Africa



Ottawa, Ontario

March 7, 1990

A week ago today, I had the distinct privilege, on behalf of Canada, to meet with Mr. Nelson Mandela on his first voyage outside South Africa since he was confined to prison 27 years ago. I want to report to Parliament on our conversations, and also on my brief visit to Namibia, in whose struggle for independence Canada has played so vital a role.

Lusaka, Zambia is the headquarters of the African National Congress in exile. Mr. Mandela came to consult with his National Executive, some of whom he had never met. He wanted also to meet those countries and institutions which have played a leading role in the struggle against apartheid. The Prime Minister, whom I represented, was one of the first invited to Lusaka, which is a sign of the respect that Canada has won among the people on the front lines of the fight against apartheid. That is a tribute to the resolve of people throughout this House and across the country. It creates a responsibility for Canadians to continue our leadership in new circumstances which, while more promising than the decades of impasse on apartheid, are also more challenging and complex.

The House knows the changes which have swept South Africa in recent months:

- the historic Harare Declaration of the African National Congress which accepted the desirability of peaceful, negotiated change in South Africa;
- the election as President of South Africa of F.W. de Klerk, a man who seems committed to initiating real change;
- the unbanning of the African National Congress;
- and the triumphant release of Nelson Mandela from prison on February 11.

The stage is now set for historic progress towards a truly democratic and non-racial South Africa. But we have only just begun. The state of emergency is still in force. Political prisoners remain detained. The pillars of apartheid remain. As Kenneth Kaunda said in Lusaka, Mr. Mandela is now free, but he is free only to live in an apartheid system.

I think it important that Canadians understand the spirit in which Nelson Mandela approaches this phase of events in South Africa. He referred to his meetings with President de Klerk, and the Ministers of Justice and Constitutional Affairs, and said he is convinced that they are true reformers who seek a new social contract in South Africa. But, he noted, these are but three men who face the same party structure responsible for the development and maintenance of the repressive regime of apartheid. They deserve to be encouraged, but neither he nor the world could ignore the history of the National Party or the forces of retrenchment which lie in waiting. Mr. Mandela believes that pressures must be maintained until real change occurs. Expressions of intent are not enough to warrant relaxation of pressure.

Mr. Mandela was unambiguous on this issue: the greatest assistance which could be offered by the outside world to the ANC is to maintain sanctions. Indeed, he spoke of intensifying sanctions, and I have asked him to indicate where and how this should occur.

Commonwealth Heads of Government, in Kuala Lumpur last year, agreed that Commonwealth pressure would remain unyielding until there was "evidence of clear and irreversible change." The Commonwealth Committee of Foreign Ministers, which I chair, will meet in Nigeria, in May, to assess the evidence of change. The African National Congress has agreed to work with us in that process.

The headquarters of the African National Congress will return to South Africa and the organization, unbanned, will lead the effort to secure a non-racial democracy in South Africa. Thousands of ANC members and followers will have to be re-located inside South Africa. Offices will have to be established. A new infrastructure must be built. And the ANC, at the same time it is negotiating, will also have to focus on equipping the black leadership in South Africa for the responsibilities of economic management and political governance.

The ANC asked me for Canada's direct assistance in meeting the costs of its re-integration into political life inside South Africa. I noted the firm policy of successive governments of Canada not to support political parties in other countries. We will, naturally, continue to support specific humanitarian, education and other programs which meet the needs of the ANC. A delegation from the African National Congress will come to Ottawa within a month to discuss specific areas of cooperation.

But I also made the point that there are thousands of private citizens in Canada who would want to support the return home of the ANC. This resource should be tapped, and I have initiated discussions with representatives of the three parties in Parliament to identify individuals and strategies which can be offered to the ANC to help them secure substantial private Canadian support.

A great challenge facing the ANC is to level the playing field as it approaches negotiations with the government. The government will be able to draw on all the wealth, expertise and resources which apartheid has put at its disposal. The ANC is dispossessed and disadvantaged in these terms. Successful negotiations will require a greater equality of resources and expertise. That is an area where Canada can help.

Finally, the ultimate success of a non-racial South Africa will depend on the capacity of both blacks and whites to exercise both political and economic power. Economic exploitation lies at the heart of apartheid and, by and large, black South Africans have been shut out of the experience of running industries and businesses. Therefore, I told Mr. Mandela that we will look urgently at additional programs to provide potential black leaders of industry with practical experience in running large corporations in both the private and public sectors.

In their telephone conversation February 13, the Prime Minister invited Mr. Mandela to visit Canada. He has suggested that it might be appropriate for Nelson Mandela to address this free Parliament. Mr. Mandela looks forward to coming to Canada, to express directly his appreciation of the support of Canadians.

The impression I took away from two days of meetings is of a man who is strong, serene, wise and generous. He is a person of principle, but also of practicality and flexibility. To emerge from prison after so long a punishment and to retain an understanding of the concerns of his jailers is extraordinary. Mr. Mandela disproves the notion that history is made only by impersonal forces. The course of South African history will be determined in large measure by this man - and by his counterpart in Pretoria.

Canada will maintain sanctions until there is clear evidence of irreversible change in the apartheid system. But we intend also to encourage President de Klerk in his courageous and moderate course. Foreign Minister Pik Botha has written to me suggesting that Canadian experience might be particularly helpful in developing negotiated solutions for South Africa. I have responded by proposing that Mr. Ted Lee, the Head of our Legal Branch, and Canada's former Ambassador to South Africa, visit the region to assess areas where Canada's expertise might be of use. I made it clear to Mr. Botha that any expertise we might offer must be available to all parties in the negotiations. Mr. Lee will be in South Africa in early April to consult with the government, the ANC and other relevant parties.

The nature of the South African challenge has changed. The opponents of apartheid outside South Africa must be as sensitive and generous in encouraging the process of change as Nelson Mandela has been in leading it. Canadian non-governmental organizations have brought great honour to Canada in their fight against apartheid. I will be meeting with them within the next two weeks to discuss how Canadians together can best pursue the fresh prospect of finally ending apartheid.

After my meetings in Lusaka, I paid a brief visit to Namibia, which will celebrate its hard-won independence on March 21st. Canada will be represented at the independence celebrations by my colleague, the Minister for External Relations and International Development and by a small all-party delegation from Parliament. For years, Namibian independence was a hostage to apartheid; now Namibia is leading the way for its neighbour, South Africa. It is a remarkable example of a successful transition to a non-racial democracy, the holding of free elections, the drafting of a constitution without peer in Africa. The Namibian success points to what is possible when reason overcomes emotion and compromise replaces prejudice.

During my conversations with President-elect Sam Nujoma and his Ministers-designate, I expressed both Canada's congratulations and our intent to continue to contribute to the development of a stable and prosperous Namibia.

Mr. Speaker, when I was called to the platform to welcome Nelson Mandela to Zambia, President Kaunda said that Canada, though far away, had earned the right to be considered a "Front Line State" in the battle to end apartheid. Because we are a Western democracy, a diverse society, a successful economy, our role may be even more important in this sensitive new phase of the campaign to establish a non-racial democracy in South Africa.

STATEMENTS
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DÉCLARATIONS
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90/6

Statement in the House of Commons by
the Right Honourable Joe Clark,
Secretary of State for External Affairs,
on the occasion of Namibia's independence



Ottawa, Ontario

March 20, 1990

In just six hours Namibia will become fully independent from South Africa. There has not been an independence celebration anywhere in the world for nearly six years. This event is particularly momentous as Namibia is the last colony in Africa.

Namibian independence is, in the first place, a success story for the United Nations. The UN, which for ten years previous had no new peacekeeping operations, has launched no less than five in the last two years, of which by far the largest was UNTAG, the UN Transition Assistance Group in Namibia. UNTAG was nearly stillborn last April when a tragic final outburst of fighting broke out between nationalist guerrillas and South African-controlled forces on the very day of the formal ceasefire. But reason prevailed and the transition process was accomplished without a hitch: military withdrawals and demobilizations, amnesty and repeal of apartheid legislation, repatriation of refugees and release of detainees, and finally registration of voters and the election of a Constituent Assembly in November. UN Special Representative Martti Ahtisaari and UNTAG now leave the country with the great satisfaction of having accomplished their mission - in full, on time, and within budget.

Namibian independence is also a success story for Canada. In 1977, Canada - with France, FRG, UK and the USA - took the lead in negotiating a settlement plan for Namibia that came to be universally accepted as Security Council Resolution 435. Several years of negotiations followed, with Canada centrally involved in what was called the Contact Group, to overcome obstacles to the implementation of Resolution 435 through a parallel agreement on constitutional principles and UN impartiality. The final obstacle - linkage to Cuban troop withdrawal from Angola - was resolved in the fall of 1988 through an American-mediated regional agreement.

Canada then pitched in to implement the plan it had helped to devise. We advanced 80 per cent of our UNTAG assessment of \$15 million to get the operation off to a fast start. Over 500 Canadian Forces personnel served in UNTAG in two rotations, later joined by 100 Royal Canadian Mounted Police members, 50 election supervisors from the federal and provincial electoral institutions and the national political parties, and 12 fingerprint and computer experts. The government established a diplomatic observer mission in Windhoek while our UN mission remained active in the search for solutions on the Security Council. Four Parliamentary observers went to Namibia last September for the elections, as well as a Canadian member of a Commonwealth group and a number of independent NGO observers throughout the process. Some \$3.9 million of development and humanitarian aid was provided, including \$2 million for the UN refugee repatriation. 4000 ballot boxes were supplied for the election.

Canada has invested over \$22 million to help Namibia secure its independence, and over 700 Canadians have participated and contributed personally. I know I speak for all members of the House in saying that we are very proud of, and grateful to, every one of them.

Above all, Namibia's independence is a success story for the Namibians. They are emerging from over a century of German and South African colonialism. When given the chance to participate in free and fair elections, their enthusiasm for democracy knew no bounds. They walked great distances and waited peacefully under blazing sun in lines up to a kilometre long, in order to elect their Constituent Assembly. The turnout in that election was 97 per cent. The new Assembly, animated by a strong all-party commitment to reconciliation and cooperation, adopted unanimously in just 80 days an exemplary constitution. It provides for fully entrenched human rights, a presidency accountable to a bicameral Parliament, an independent judiciary, regular multi-party elections, and the absence of preventive detention and the death penalty. Namibians are justifiably proud of their new constitution, and they are determined to make it work in practice and not just on paper.

Lastly, Namibia's independence is a success story for South Africa, and a harbinger of hope for the future. South Africa has decolonized with dignity, and shown the world that it can be trusted to fulfill international agreements. South Africans can now look to Namibia for persuasive proof that fundamental political change can be achieved through a peaceful, negotiated and democratic process. Namibia, long a hostage to apartheid, is now leading the way for South Africa in dismantling apartheid, by showing what is possible when reason overcomes emotion and compromise replaces prejudice.

And so Africa's last colony later today takes its long-awaited and rightful place among the community of nations. We will welcome the Republic of Namibia as the 50th member of the Commonwealth and soon as the 160th member of the United Nations.

Canada is represented at the independence celebrations by my colleague, the Minister for External Relations and International Development. The delegation also includes Parliamentarians of all three parties - the Members for Waterloo, Haldimand-Norfolk and Windsor-St. Clair - who have a long standing interest in Namibia and Southern Africa.

Namibia will need the continued support of its friends. I am pleased to announce today that Canada is opening a High Commission in Windhoek.

Canada is also ending the application to Namibia of certain economic sanctions which were directed at South Africa when it was in control. The ban on new contracts for the toll-processing of Namibian uranium, is lifted with effect from March 21, 1990. I am confident that uranium can become a field of productive cooperation with Namibia and that new contracts can soon be secured. The ban on importing South African uranium remains in place and will be stringently and effectively monitored.

Canada is also moving to normalize export promotion in Namibia. The Program for Export Market Development is now available there, and we will be active in promoting trade with Namibia. The Export Development Corporation has been told that there are no longer any barriers to export finance and investment insurance, and the chief executives of major chartered banks have been told that export credit restrictions and other voluntary financial sanctions on South Africa no longer apply to Namibia.

As for development assistance, the Minister for External Relations and International Development is advising Namibian leaders that CIDA will be providing a special independence contribution of up to \$1 million to support an expanded program of immunization through UNICEF. This is a high priority for the new Namibian government. With a further \$1 million already pledged by the Prime Minister through the Commonwealth Fund for Technical Cooperation and other aid, total Canadian assistance to Namibia is expected to exceed \$4 million this year. It will be delivered mainly through Canadian and Namibian NGOs and multilateral channels.

Finally, Namibia has a continuing need for security assistance. There is a requirement to strengthen and reorient the police force, so that the stability essential to economic development can be maintained in a climate favourable to human rights. With the concurrence of my colleague, the Solicitor General, the RCMP will soon be providing police training services funded through the Commonwealth, and the RCMP Director of Training will shortly lead a needs-assessment mission to Windhoek. Namibia is also being invited to join the Military Training Assistance Program already offered by the Canadian Forces to Southern African and Caribbean countries.

To mark the actual moment of independence - midnight in Namibia and 5:00 p.m. here today - a motion of congratulations will be proposed then for unanimous consent in the House.

Namibian independence is a success story for the UN, for South Africa, for Canada and, most of all, for its own people themselves. It is a world class achievement which this House - and all Canadians - proudly applaud.

STATEMENTS
AND
SPEECHES



DÉCLARATIONS
ET
DISCOURS

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Notes for a speech by
the Honourable John C. Crosbie,
Minister for International Trade,
at the CSCE Conference on
Economic Co-operation in Europe



Bonn, Federal Republic of Germany
April 10, 1990

Mr. Chairman,

It is a great pleasure and honour for me to address fellow delegates, especially in this city of Bonn, at this critical time in European and world history. Canada, long a partner in Europe, long a partner in the CSCE*, is fully committed to what I believe will be Europe's second renaissance.

This extraordinarily successful Bonn meeting on economic cooperation in Europe has many achievements to be proud of, and I will want to discuss some of these later. All of us owe a large debt to the government and people of the Federal Republic of Germany, whose foresight, determination and skill have ensured that this conference is such a success.

Perhaps the most remarkable characteristic of the Bonn Conference has been our graduation from confrontation to common cause. This progressive convergence among CSCE nations throws open the door to a new Europe.

Let us imagine what this new Europe can look like twenty years from now if we grasp the great opportunities before us. I see a new European space; the new Europe is a pillar of world peace, prosperity and stability.

Think of what this economic space could look like in twenty years. The European Community has successfully attained economic and monetary union. A single European currency. Capital markets stretch from London to Prague to Moscow. Every European country in the GATT, in the IMF and the World Bank. And in the powerful new international trade organization which emerged after the successful conclusion of the Uruguay Round of trade negotiations.

The phrase "economies in transition" will have vanished from the European vocabulary. Countries of Central and Eastern Europe will have reassumed their historical legacies. Their advances in research, technology and sustainable economic growth will benefit not only their own citizens but also the wider global community.

In this vision, the European/North American partnership is stronger than ever. Both continents are richer because of the widened trade and investment opportunities offered by the

* Conference on Security and Co-operation in Europe

Canada/U.S.A. Free Trade Agreement and European economic and monetary union.

This partnership has proven instrumental in the fight against protectionism, and in the formation of a free and open international trading culture.

By transatlantic leadership and example the world will also have reversed the global threat to our environment.

Is this new Europe of the year 2010 wishful thinking? I do not believe so. The only real question is: "Can we grasp the opportunities that history today offers us?" The democratic revolutions of 1989 and the ongoing reforms in the U.S.S.R. offer unparalleled opportunities to create a prosperous, peaceful and stable world order.

Building the new Europe will involve a number of problems. You have discussed here, in great detail, many of these. There are in my view two broad challenges which must be met to make the European renaissance a reality.

First, there must be a successful transition from command to market-oriented economies.

Second, the key institutions that serve Europe, including the CSCE itself, must aid this transition. Canada therefore is pleased to have cosponsored the proposal to follow up this conference with initiatives by governments and the experts of our institutions and business to sustain this transition process.

Canadians have never been more ready to share our experience and expertise. We strongly believe solid transatlantic links will be an important element in meeting these challenges. Millions of Canadians trace their ancestral roots to the European continent. They want to see Canada build even more productive ties throughout Europe, especially now that the barriers of the past have been torn down.

The first broad challenge, ensuring a successful transition from command to market-oriented economies, is one of enormous magnitude. The policy mixes necessary will vary in each country, but the broad directions of change are clear. These have been discussed extensively by participants here in Bonn.

At this conference we have heard a great deal of practical discussion, particularly by business representatives, about the structural and economic changes needed: (a) market pricing in order to lead to efficient resource allocation; (b) currency convertibility to achieve the full benefits of international trade; (c) the creation of a dynamic private sector particularly

built on small and medium-size business; (d) market disciplines for state-owned industries; (e) sound fiscal and monetary policies.

The challenges facing the Soviet Union are of the greatest magnitude.

The U.S.S.R. has taken some steps which will help build a firm foundation for economic development, such as the introduction of legislation allowing some private control of land and factories. We can see the day when other fundamental economic reforms, such as market pricing, convertibility for the rouble, and outright ownership of land and resources will be implemented.

The Canadian Government supports President Gorbachev's reforms, and we are taking a number of practical steps to improve the commercial ties between our two countries.

During Prime Minister Mulroney's visit to the U.S.S.R. a few months ago, a large number of important commercial agreements were signed, and a Canada/U.S.S.R. Business Council and trade task force were set up to study ways to build trade and investment between our two countries.

These steps not only deepen the bilateral relations between Canada and the U.S.S.R., they add impetus to the economic transformation of the U.S.S.R.

Business people in Canada and other CSCE states want to broaden their participation in the economy of the U.S.S.R.; further economic reforms on the part of Soviet authorities would dramatically increase the amount of private capital and expertise available to the Soviet economy.

Ensuring the orderly transformation of the countries of Central and Eastern Europe is equally pressing.

This process, underway at various stages in all Central and Eastern European countries of the CSCE, will inevitably produce some wrenching adjustments to national economies and societies.

The Polish program is perhaps the most comprehensive and advanced, and already the expected shocks have begun to hit. Yet, Poland's leaders are courageously staying the course, aiming to establish the economic, legal and institutional basis for a private-sector market economy in just one year.

As one Polish economist has described his country's efforts at achieving a rapid transformation of the Polish economy, "You don't try to cross a chasm in two jumps."

What can other CSCE countries do to support these fundamental economic changes? Our goal at the present stage should be to do what we can to minimize shock and ease the transition.

This is why Canada has played an active part in the initiatives undertaken by the Group of 24 to support the process of reform in Poland and Hungary, providing technical and managerial training in areas where Canada excels. Canada will support other packages of economic assistance as they are developed for other countries of Central and Eastern Europe.

The very advice that the OECD provides industrialized countries on making their economies more efficient can be of use to the Central and East European countries as they move to market economies. Canada has encouraged the OECD to provide technical advice and assistance to Central and Eastern European countries inter alia through the new "Centre for Cooperation with European Countries in Transition". The Economic Commission of Europe also has a constructive role to play in consolidating reform.

Canada is also actively involved in the current negotiations to establish the European Bank for Reconstruction and Development (EBRD). This bank will have a more distinctive orientation than other regional development banks in that its purpose (Article 1) states clearly that loans will only be extended to countries which have adopted the principles of multiparty democracy and market economies.

Bilaterally, Canada recently concluded foreign investment protection agreements with the U.S.S.R. and Poland, and is negotiating similar agreements with Czechoslovakia and Hungary.

But this first broad challenge of massive economic transition cannot be met without at the same time succeeding with the second: institutional change.

At this time of transition, of uncertainty and yet great hope, it is important that key institutions such as the European Community and the CSCE adapt to play an important stabilizing role.

Canadian entrepreneurs, some of whom are of Central and Eastern European origin are pursuing business opportunities there with the full support of the Canadian Government. Two, Andrew Sarlos and Thomas Bata, are with me today.

The role of global economic institutions in assisting the transformation of the U.S.S.R. and the Central and Eastern European countries and integrating them into the international economic system cannot be underestimated. The IMF is already playing a leading role in the Polish, Hungarian and Yugoslav programmes of adjustment through its advice and balance of

payments support, and will doubtless be involved with other countries.

We should also remember that the multilateral trading system is anchored in the GATT. Membership involves obligations but delivers benefits entirely consistent with the objectives of those who are reforming their economies based on market-oriented principles. Canada has therefore been an early supporter of the U.S.S.R. request for observer status.

The European Community is a key element for economic growth and prosperity in Europe. While other countries and institutions are just beginning massive transformations, the EC's openness to the Central and Eastern European economies will be important for their development as market economies as well as a catalyst for their modernization.

A European Community committed to open markets will also be a potent force for world-wide economic growth and a more open world trade and payments system.

The European Community will remain a linchpin of Canada's relations with the new Europe. My government intends to expand institutional linkages between Canada and the EC, and to expand cooperation with the EC on a wide variety of issues bilaterally and in a host of multilateral bodies. Canada also recognizes the important role of the member countries of EFTA in assisting economies in transition and in the EFTA/EC efforts to further liberalize their own trading relationship.

Providing the stones for new foundation for this new house of Europe which we are building together with such great hope and care will be the CSCE of the 1990s.

The 1975 Helsinki accords have rightly been called the high-water mark of detente in the 1970s.

The CSCE Summit later this year may well be seen by historians as marking the beginning of a radically new entente in the 1990s among all European and North American nations.

Canada will work to ensure that this new entente leads not only to a prosperous, peaceful and stable Europe, but towards a more prosperous, peaceful and stable world.

The CSCE Summit will likely mark the occasion of a major arms control agreement in Europe; but leaders will also want to deal with many of the issues arising from this conference.

They should take the first concrete steps towards revitalizing the CSCE, transforming it from an institution of East/West

detente into one reflecting the goals and values of the new pan-European and North American entente.

Of particular importance to me, and I'm sure other delegates, will be the discussions among leaders regarding economic cooperation. We want to ensure that the economic dimension is permanent, that it has its own place in an institutionalized CSCE together with the security and human dimensions. Particularly Canada supports meetings within the CSCE aimed at periodic review of progress and providing new impulses for economic relations among participating states.

This should not, and will not in my view, duplicate or undermine the valuable work being done by existing economic organizations.

Canada, which has played such an active role within the CSCE in the past, will continue to do so as the CSCE is adapted to reflect the political and economic realities of even stronger links between the countries of Eastern and Western Europe and North America.

There are no easy answers to meeting these two interlinked challenges of economic transition and institutional change. The lure of protectionism will remain strong, and the rigours of trade and investment liberalization sometimes painful.

For the countries of the CSCE to succeed in transforming the economies of Europe so that peace and prosperity can be guaranteed, we need a shared vision on how to proceed into the future. In your work here over the past weeks, you have begun to forge that sense of shared vision.

I commend your efforts and the impressive concluding document which you have produced. The role of the European Community in bringing forward the initial draft concluding document, and the United States for its work on the Bonn Principles deserve particular praise. Their efforts of course would not have been successful without the forthcoming attitudes of our East European colleagues and all member states of the CSCE.

As the first CSCE Conference to take place since the remarkable revolutions of 1989, and as the first major CSCE meeting devoted entirely to economic cooperation, Canada considers the Bonn Economic Conference of great importance. This conference may be seen as marking a turning point in world history, the beginning of a new era of multilateral economic cooperation for the CSCE region, and for the whole world trading community. Bonn's concluding document will be remembered for having set in train measures which led to the convertibility of all European currencies, established clear principles of economic conduct, liberalized investment regulations, and which improved the free

flow of essential business information. Above all, the concluding document has recognized the need for a partnership between governments, whose primary role is to create conditions for entrepreneurial risk and initiative, and business people, who actually undertake these risks and initiatives.

The government/business partnership has been underlined throughout this Bonn Conference by the active participation of men and women of business in all our work groups. Their experience and advice has ensured that the concluding document embodies realistic assessments of the great challenges we face together. I thank the business representatives of my own delegation and the hundreds of others who have actively contributed to the success of this Bonn meeting.

Without the essential involvement of the private sector, government efforts lack a critical dimension. The Canadian Government will continue to work in close partnership with Canadian business people so that the challenges before us can be met.

The next step which we must take is to begin to realize some of the new trade opportunities which have been discussed. This will demand a good deal of cooperation, capital, and imagination. Major adjustments to institutions, laws and habits, will all be involved if physical plant is to be up-graded.

Bonn has helped to shape a common vision of how we can approach these great challenges in the economic transformation of Europe, and I believe it will come to be seen as a key catalyst to the successful economic integration of Europe.

This new Europe, this renaissance Europe, will not only have invigorated the economies of the U.S.S.R. and Central and Eastern Europe, but it will be a powerful political and economic force behind the creation of a more open, more prosperous, more peaceful, and more stable world.

Canada, long a partner in Europe, long a partner in the CSCE, fully shares this vision with other European and North American nations. Together, we can arrive at a radically new entente in the 1990s. Canada will do its part to make this a reality.

Thank you, Mr. Chairman.

STATEMENTS AND SPEECHES



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Affaires extérieures et
Commerce extérieur Canada

External Affairs and
International Trade Canada

Canada

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Notes for a speech by
the Right Honourable Joe Clark,
Secretary of State for External Affairs,
at the Opening of the Sixth Session of the
Commonwealth Committee of Foreign Ministers



Abuja, Nigeria
May 16, 1990

President Babingida,

Secretary-General,

Colleagues and distinguished guests,

Thank you President Babingida. You do us all great honour by addressing this gathering. Your efforts and those of your compatriots in fighting apartheid over many years are widely recognized as is your leadership in bringing democracy and economic progress to your own powerful nation.

Nigeria provided, in the person of General Olusegun Obasanjo, a wise and experienced Co-Chairman of the Eminent Persons Group of this Commonwealth. Another son of Nigeria, Chief Emeka Anyaoku, has been a principal architect of the international pressure against apartheid, and his historic selection as Secretary-General of the Commonwealth helps ensure that leadership will continue.

President Babingida, I would like to thank you, your Foreign Minister and the people of Nigeria for your long-standing dedication to equality and justice in South Africa and your gracious hospitality here in Abuja.

On behalf of all of us and all of the family of the Commonwealth, I want to express the honour we feel at having Nelson Mandela join this meeting. Rarely, in the modern world, has there been leadership of the quality you display every day, in prison, in negotiation, in your personal example, and we look forward to your counsel and your success.

Finally, I would like to pay tribute to Sir Shridath Ramphal - Sonny - who has invested his enormous skills and energy in this issue above all others. Through fifteen years and eight meetings of Head of Government, his sensitivity, his eloquence and his intelligence have helped the Commonwealth form and articulate a unique and constructive approach to the problem of apartheid and the future of South Africa. I speak for us all in wishing him equal success in his future endeavours.

This Committee of Commonwealth Foreign Ministers is meeting at a time when hope for a peaceful settlement in South Africa is unparalleled. When we last met, in Kuala Lumpur, none of us would have been so bold as to dare think that Nelson Mandela would be sitting in our midst, fresh from meetings with the South African President at which a common commitment was made to a peaceful process of negotiations.

In 1961 South Africa left the Commonwealth after its apartheid policies had been roundly rejected. That same year the ANC and PAC were banned. Now almost thirty years later, they are unbanned, Nelson Mandela is free, and the negotiations, which the black opposition has sought for so long and at such a high cost, seem to be close at hand. While the political climate has been radically transformed since February 2, it is important to remember, however, that legally very little has changed and apartheid is still the law of South Africa.

But there can be no dispute that a new chapter has been opened, and its principal authors are Nelson Mandela and President de Klerk. We fervently hope that this is also the final chapter of the history of apartheid in South Africa.

It was clear to any observer of the May 2 to 4 talks between teams representing the ANC and the South African Government that there is rapport and respect between the opposing sides.

Importantly, each side also accepts the legitimacy of other parties who have not yet taken a seat at the table. Each side has provided a clear commitment that the mechanism of change should be peaceful negotiations. Ensuring peace will not be easy in turbulent South Africa. But some of the obstacles to peace, some of the root causes of violence, may be cleared away if the Government carries out its commitment to work towards the lifting of the State of Emergency and the review of existing security legislation. The ANC has also undertaken to exert itself toward the resolution of the existing climate of violence.

Of course, no one should underestimate the difficulties that lie ahead. Not all of the pitfalls are centred around the negotiating table. The tragic near-civil war in Natal has accounted for most of the political violence in the country, and has also become a serious impediment to successful negotiations. The violence in Natal calls for imagination and resolution by all parties and the government, and help from the international community wherever appropriate.

On negotiations, sharp differences remain, and are deeply rooted in different understandings of the very concepts of democracy, equality, majority rule, constitutions, and possibly even of justice. But there appears to be a determination on all sides that the common commitment to seeking a peaceful settlement will eventually win the day, and see all South Africans as victors.

We can all take heart from the recent experience of Namibia. Its long awaited transition to independence is a convincing demonstration to South Africans that fundamental change can be achieved through a peaceful, democratic and negotiated process. Its unanimously-adopted constitution is exemplary in providing for entrenched human rights and effective democracy. The repatriation of Namibian exiles and refugees - once the necessary amnesty and legislative changes were in place - was a model of smooth cooperation between the international community and the Namibian groups involved, which I hope can soon be repeated for South Africans.

I am particularly glad that Foreign Minister Gurirab is with us at this meeting to give us the benefit of his unique Namibian perspective on our agenda.

In the light of the changing circumstances in South Africa, what is the role of the Committee of Foreign Ministers, and indeed the wider international community?

I believe that while a chapter is being closed on the decades of impasse on apartheid, the transition period we are now entering presents even greater challenges. The new situation creates a responsibility for this Committee to continue its leadership role as never before.

This Committee must continue to act as a catalyst in each of the areas under our original mandate from the 1987 Vancouver Commonwealth Heads of Government meeting, a mandate reconfirmed last October in Kuala Lumpur. It is important that our work have an influence on others in the international community, and ours is the first major international meeting on South Africa since the ground-breaking "talks about talks". In helping to analyze what has and still needs to be changed, and determining ways in which the Commonwealth can support a peaceful negotiated settlement, we have the capacity to influence others and South Africa itself.

We bear a particular responsibility on the question of how best to manage sanctions. It was this Committee, meeting in Canberra last August, which first talked about the need to keep up the pressure through sanctions until progress towards the dismantling of apartheid became "irreversible".

At Kuala Lumpur, the wider Commonwealth built on this formulation by agreeing that any relaxation of existing sanctions would have to await "evidence of clear and irreversible change". And in December, in a consensus resolution at the United Nations Special Session on Apartheid, the international community as a whole agreed that existing measures should not be relaxed until there is "clear evidence of profound and irreversible changes".

Sanctions have clearly worked, some forms better than others. This Committee provided a standard by which others were judged, and kept the issue of sanctions squarely on the international agenda. At the initiative of Australia, we led the way in highlighting the importance of financial sanctions. The Government of South Africa appears committed to fundamental change, but the pressures must continue until the pillars of apartheid themselves are gone. During this meeting we will want to examine the future management of Commonwealth sanctions with the aim, as ever, to use this instrument in support of a peaceful, negotiated settlement.

In these new circumstances, we must give new priority to our mandate to reach into South Africa and help prepare the majority for a post-apartheid society. The challenge is enormous.

That task includes levelling the playing field going into negotiations. The white

community remains in full control of the government and the private sector, with its attendant organization, financial and manpower resources.

Many of the best legal minds will be enlisted in the government team. In putting forward their detailed view as to how to ensure a truly non-racial democracy, the ANC and others will be at a comparative disadvantage. Successful negotiations will require a greater equality of resources and expertise, and increased dialogue across different constituencies.

The Commonwealth can assist; for our part Canada spent \$1.6 million over the past two years on dialogue-related projects inside South Africa. Events of recent months have made that task more urgent, and this year alone we will spend \$1.8 million, with increased emphasis on projects directly related to negotiations and constitutional options. My Department's chief legal advisor, the former Canadian Ambassador to South Africa, Mr. Ted Lee, has, at my request, just completed a mission to the region to assess areas where Canada's expertise might be of use.

On the basis of his recommendations, we have already funded meetings between human rights lawyers inside South Africa and the ANC legal team in preparation for talks. We have also given a large grant to the Centre for Applied Legal Studies for conferences targetted on key constitutional issues, and provided two Canadian constitutional experts to assist in a major seminar this month. We are looking at ways of linking up other experts with the Law Reform Commission in South Africa.

Another area in which the assistance of the Commonwealth is vitally important is education, training and work experience for black South Africans. The ultimate success of a non-racial South Africa will depend on the capacity of both blacks and whites to exercise both political and economic power. Economic exploitation lies at the heart of apartheid and, by and large, black South Africans have been shut out of the experience of running industries and businesses. They have also been excluded from the leadership in the public service. In our discussions in Lusaka, Mr. Mandela and I agreed that there was an urgent need for additional programs to provide potential black leaders of industry and public service with practical experience in running large corporations in both the private and public sectors.

The issue of apartheid has always loomed large on the horizon of the Commonwealth. When South Africa left the Commonwealth in 1961, Canadian Prime Minister John Diefenbaker promised there would always be a light in the window for South Africa to return, once apartheid was ended.

That light has never dimmed. Through Gleneagles, through Nassau and the Eminent Persons Group, through the Vancouver and Kuala Lumpur meetings, through Namibia's joining the Commonwealth family, and finally through this Committee's ongoing work, that light has grown ever brighter. We have strengthened that flame, not only as a beacon of hope to South Africans yearning for a non-racial, democratic future, but also because we know that a free South Africa would enrich our family and our world.

That is the work which draws us here, to the heart of the most populous nation in Africa, a Commonwealth which unites all the cultures and traditions of the world, and which is determined to work with all the people of South Africa to bring that nation to equality and power for its people.

STATEMENTS AND SPEECHES



DÉCLARATIONS ET DISCOURS

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Notes for a speech by
the Right Honourable Joe Clark,
Secretary of State for External Affairs,
at Humber College, Lakeshore Campus
on Canada and the New Europe



Toronto, Ontario
May 26, 1990

Affaires extérieures et
Commerce extérieur Canada

External Affairs and
International Trade Canada

Canada

Around the world, 1989 will be remembered as the year of European revolution. The Berlin Wall crumbled; the Iron Curtain disintegrated; totalitarian regimes collapsed; and a new Europe was born.

Canadians watched with wonder as what we thought would take decades came to pass in weeks. The impossible suddenly became possible and the dream became reality. But that reality, while hopeful, also carries heavy responsibilities - for Europeans and for Canadians.

If 1989 was the year of revolution, 1990 marks the beginning of a decade of re-construction. Euphoria still lingers but the hard work now lies ahead. The events of 1989 swept away oppressive and outdated economic and political structures. But new societies and new institutions remain to be built. That task has only just begun.

The remarkable events in Central and Eastern Europe are intensely personal for millions of Canadians whose roots are there. Many have ties of language and family. Some were forced to flee by the very regimes which have now collapsed. Most have family or friends whose hopes were thwarted, or lives diminished, by those old regimes, but who have the prospect now of building new lives and new societies in old homelands.

Virtually no other nation possesses the web of intense personal connections to Eastern and Central Europe which we have in Canada. That gives us a special interest, and a special capacity, in helping those societies become prosperous and free.

The revolution of 1989 has fundamental implications for the entire European continent - and for North America which, in terms of culture and history, is Europe across the Atlantic. The requirement for leadership and imagination extends across all issues - political, military and economic. That requires a new Canadian approach not only to Central and Eastern Europe but towards the entire European region.

On February 5th, at McGill University in Montreal, I announced the initiation of a review of our policy towards Europe. The purpose of that review has been to define Canadian interests in Europe and to develop a strategy to secure those interests. I would like to share some thoughts with you that have arisen through that review.

I begin with two basic observations. The first is this: Canada's stake in Europe should not be taken for granted. We have interests around the world and our past preoccupation with Europe is no argument for a focus for the future. Nostalgia is

no basis for policy. Our interests in Europe are real, contemporary and compelling.

The second observation is that Canada's wishes will not necessarily determine Canada's role. Powerful new economic and political forces are at work, forces over which Canada has limited influence. A European role will not be bestowed upon us because we decide it is in our interest. It must be earned. That requires imagination and realism and hard work.

What are Canada's primary interests in the new Europe?

One of them is to help ensure that Europe does not again become what it once was. Another is to help ensure that Europe becomes a positive force for change both at home and around the world.

Our primary interest is the interest in peace. Two world wars this century have taught Canadians that a Europe at peace with itself is a Europe at peace with the world. Security in Canada has no meaning without security in Europe.

Our economic prosperity depends upon a stability in the world. Threats to that stability are threats to our prosperity.

More directly, as a country dependent on trade for 30% of our GNP, the unifying market of Western Europe is vital for jobs and prosperity in Canada, and the vast and untapped markets of Eastern Europe constitute a long-term opportunity of potentially immense proportions.

Politically, the values which have triumphed in Europe are our values too. We rejoice in their ascendancy and also take comfort in the fact that democracies are inherently more peaceful than the totalitarian alternative. The construction of durable democracies there is not only a moral quest; it is also a security imperative.

Finally, Canadian interests in the new Europe relate not only to what occurs there but also to what is occurring elsewhere. For decades, our preoccupation with a brittle peace in Europe has hindered our ability to deal with mounting global problems - the threat to the global environment, the crises of international development and debt, the evils of the international drug trade and the proliferation of terror and weapons of mass destruction. Many of these problems do not have European origins. But our preoccupation with Europe - ideologically and militarily - has kept these other priorities far too low on the global agenda. With Europe at peace with itself, we can turn together to a planet in need of urgent action.

So we are not interested in Europe for reasons of history,

or nostalgia, and certainly not for reasons of charity. It is not only their prosperity which is at stake, it is ours. It is not only their security, it is ours.

While our interests in Europe remain strong, the means by which we pursue those interests must change radically. They must change to reflect the new security framework now in evolution; they must change to reflect the growing power and unity of Western Europe; and they must change to reflect the particular advantages and assets of Canada.

The primary Canadian bridge to Europe has been our contribution to the North Atlantic Alliance. That contribution has involved thousands of Canadian troops on the ground in Germany, troops whose lives have been put on the line daily in the defence of freedom. In a real sense, that contribution of Canadian lives can have no substitute and no parallel.

That military contribution is bound to decline. It will not be a decline which we regret, because it will be a product of the long-sought reduction in East-West tensions which is the result of the new Soviet foreign policy, the dissolution of Soviet control over Eastern Europe and the unilateral and negotiated reductions in conventional and nuclear forces. At long last, we are moving from a partial and artificial peace to a comprehensive, more natural peace, a peace where intentions are becoming benign and capabilities are being reduced to the point where surprise attack is no longer possible.

This process and this reality can only be applauded. What has begun must continue and a firm foundation must be built for a structure of lasting security at the lowest possible level of military forces, conventional and nuclear. That will not come suddenly or easily, but it is now a realistic goal.

It is a seeming paradox that NATO's very success requires the Alliance to renew itself. But in fact, that is easy to understand. An organization whose primary role has been to defend against plausible aggression must revise its role when that aggression becomes less plausible. It is only natural in these circumstances for NATO to assume a more political role, a role which would reflect both the new European reality and a declining military mission.

That is a change which Canada fully supports and which meets Canadian interests. But it is not enough to simply declare that NATO must become more political. NATO will only become a forum for increased dialogue if it is used for that purpose by all its members, European and North American. NATO cannot be declared more political; it must be made more political.

To a large extent, the future relevance of NATO will depend on the degree to which it adopts, reflects and strives for a broader definition of security. Security must become co-operative rather than competitive. The time for the zero-sum game is over. Even more than in the past, NATO must embrace security through arms control with as much vigour as it has pursued security through armament.

NATO must review urgently and comprehensively all aspects of its nuclear and conventional strategy. It makes little sense to retain nuclear weapons whose only target can be our new friends in Poland, Czechoslovakia and East Germany. It makes little sense to retain a military strategy which is based on a scenario of a surprise attack across a front which no longer exists and where surprise is no longer possible. And it makes little sense to continue to retain in Europe the largest peace-time deployment of military force in the history of the world.

This is not to deny the continuing requirement for prudence and military stability at this time of historic change. Twelve months do not invalidate the lessons of history. The possibility of instability is there and Soviet military capabilities remain substantial. Therefore, a strong military mandate for NATO continues to be valid and the North American commitment to Europe represented by the presence of Canadian and American troops there is crucial as we strive for strategic stability at significantly lower levels of military force.

But NATO cannot be seen as a barrier to the peace it has preserved so well for over 40 years. If NATO does not lead, it will lose the critical legitimacy it has enjoyed in Europe. NATO will be seen not as part of the solution, but as part of the problem.

It is important that NATO become even more actively engaged in the dynamic security dialogue now emerging between East and West. Those security questions involve NATO's members and NATO's interests; the Alliance should turn outwards to embrace its old adversaries and new friends.

To this end, early consideration might be given to the Soviet Foreign Minister meeting on a regular basis with NATO Foreign Ministers. Similarly, a direct and regular dialogue between the leaders of the Western Alliance and the USSR might be worthy of pursuit.

In the field of arms control and disarmament, NATO should develop an enhanced capacity and role in confidence-building and verification activities. Dedicated, multinational forces on the ground might be deployed for this purpose. NATO should also look to the establishment of a Verification Centre to co-ordinate these activities.

In addition, in the context of reviewing its military strategy, NATO should move away from a rigid forward defence to a much more flexible approach involving mobile units, possibly including forces of a multinational nature. NATO's new military posture should be designed to minimize force levels and to maximize stability. We want to reduce insecurity in the East.

But NATO, although it is of enduring value, has its limitations, a function of its mandate and its membership. There are other institutions whose role must be enhanced and transformed if they are to play a useful role in the elaboration of a new European system. And it is there that Canada must also focus its efforts.

Central among these is the Conference on Security and Co-operation in Europe. Its membership is comprehensive, encompassing the nations of Europe, North America and the Soviet Union. Its mandate extends across the board - to security, political and economic matters, as well as to human and social rights.

The principles embodied in its earlier accords provided the vision and the standards which helped inspire the brave democrats of Eastern Europe. The role of the CSCE must now be expanded so that it becomes the drawing board for the new European architecture. As a complement to NATO, the CSCE can become a true instrument of co-operative security, one which would supplement deterrence with re-assurance. And as the nature of European security expands beyond military balances to political stability and economic prosperity, there is a central role for the CSCE in the areas of human rights, economic co-operation and environmental action.

Until now, the CSCE has functioned on an intermittent basis. It has lacked the institutional framework now required for effective and ongoing co-operation and confidence-building. If the CSCE is to become the preferred forum for comprehensive discussions in the political, economic, security and human dimensions, it must develop the tools to perform those tasks.

Canada believes that continuing political direction from the highest level is required on a regular and ongoing basis if the CSCE is to realize its full potential. Canada proposes that the CSCE should meet annually at the level of Foreign Ministers and bi-annually at the level of Heads of Government. This political body could serve as the beginning of a Council for European Co-operation, a future, permanent forum for dialogue on pan-European issues.

The CSCE should develop a forum to reflect the increasingly democratic character of its membership. Therefore, we also

propose the establishment of a CSCE Assembly where parliamentary delegations from member states would meet on a regular basis to discuss issues of common concern.

In the security area, the CSCE will have a role in mandating a further round of conventional forces reduction talks. These talks should be conducted among all 35 members of the CSCE, rather than solely the members of NATO and the Warsaw Pact.

The CSCE should also increase its role in verification and confidence-building. Here, I have in mind a CSCE Verification Agency which would facilitate and co-ordinate verification and confidence-building activities mandated by the negotiations on conventional force reductions and confidence- and security-building measures. In addition, there is a potentially valuable role to be played by the CSCE in crisis prevention and conflict resolution. This could involve the creation of a mechanism whereby panels could be established to facilitate dialogue if a crisis develops involving any participating state and to conduct fact-finding investigations if required. This mechanism could recommend a strategy to resolve the crisis - whether it be mediation, arbitration or even peacekeeping. If the crisis develops into conflict, the CSCE could initiate mediation activities. These activities could be supported by a permanent Institute for the Peaceful Settlement of Disputes which would provide expertise for crisis prevention and conflict resolution activities.

Beyond the security field, the CSCE should build upon the other principles and undertakings contained in the Helsinki agreements. An early opportunity is provided by the Copenhagen Conference on the Human Dimension. The essential structures of democracy should become a common commitment of CSCE members, including the right to free elections and the rule of law. Pluralism should also be legitimized through the CSCE process, as should the rights of minorities, freedom of religion and a prohibition on hate propaganda.

In the economic dimension, the CSCE may also have a valuable role in the future, building on the tremendous success of the recent Bonn Economic Conference. It should not duplicate existing and effective economic institutions such as the OECD, the IMF and the new European Bank for Re-construction and Development. But there is room for growth in encouraging co-operation and dialogue designed to develop common principles of economic activity. I believe a permanent CSCE forum for economic dialogue, supplementing the emerging OECD work, is worth serious consideration.

One area requiring urgent attention in the East is the environment, which has been savagely disregarded and desecrated by the old regimes. One or more mechanisms might be created,

possibly affiliated with the CSCE, to provide expertise and serve as clearing houses for programs and information concerning the state of the European environment and efforts to clean it up.

In designing a new role for the CSCE, we must avoid duplication and new bureaucracies. The goal is concrete progress, not talkathons. In this connection, if the CSCE is to assume an activist role in the new Europe, it may well have to modify, perhaps on a selective basis, the current principles of unanimity in its decision-making process.

NATO and the CSCE are two complementary institutions in building the new Europe. But there is another institution - the European Community - which is central to Europe's future identity and prosperity.

The European Community is now a welcome and fundamental pillar of the international system. It is one of the great achievements of the post-war era, and has served as a magnet and model for the reforming countries of Eastern Europe. A uniting Europe is an engine of prosperity and a trigger to enhanced trade. Increasing co-operation in the political and, eventually, the security fields will ensure European consensus and co-ordination in ways which can only enhance international stability. The EC was founded to subsume past conflicts in the common interest; that mission remains valid for the future.

But as I noted in February in Montreal, a wall dividing Europe cannot be supplanted by a wall around Europe. Two impermeable blocs cannot be replaced by one new bloc which, whether in trade or security or political matters is less open to dialogue and co-operation than it is today. The new Europe must be an open Europe, open to the West and open to the East.

Canada has a particular interest in the evolution of an open, united Europe. Of course, we are not members of the European Community. Nor do we exert the sort of power which would ensure their sensitivity to our concerns. But we are traders. And we have a profound interest in the questions of foreign policy which are increasingly the subject of European Political Co-operation.

It is for this reason that Canada is now proposing a new phase in the development of Canada-EC political relations. This relationship should become more regular and more institutionalized. We are proposing regular meetings between the Prime Minister of Canada and the President of the European Council. These should be supplemented by regular in-depth discussions between the Canadian Foreign Minister and the Foreign Minister of each incoming Presidency. There should also be regular meetings between Canadian officials and experts on issues of common concern. In addition, we propose that there be an

exchange of priorities at the beginning of each Presidency which would set the agenda for the upcoming period.

And finally, I was very attracted by West German Foreign Minister Genscher's proposal to me for an EEC-North American Declaration which would confirm shared principles and interests in openness and enhanced co-operation. Certainly, a broad re-affirmation of the trans-Atlantic relationship would be useful.

In trade, the challenge is acute. The Government has already announced its Europe 1992 strategy to help Canadian industry prepare for the opportunity and demands which the Single European Market will present to all traders. However, I also believe there may be virtue at the conclusion of the Uruguay round of trade negotiations in examining the desirability of a formalized, open trading arrangement between Canada and the EC, perhaps including the United States - or indeed other members of the OECD.

I would like to address briefly one issue at the centre of Europe's evolution: the unification of Germany. The degree to which that historic union is accomplished smoothly and without rancour will determine the future pattern of European relations. We have articulated many times our strong support for a free, united and sovereign Germany - within NATO and the EC - a Germany which will be a powerful instrument of stability, unity and prosperity at the heart of Europe.

The so-called "2 plus 4" talks now underway - and initiated in Ottawa at the Open Skies Conference - are looking at the external aspects of German re-unification. Those talks must succeed.

There are delicate and important issues to resolve at those talks and elsewhere - within NATO, the EC, at the Vienna talks and between a united Germany and its neighbours. These include the future of Germany in the Alliance, the size and status of stationed and German armed forces, and the implications for NATO's nuclear deterrent.

As these crucial issues are addressed, two realities must be borne in mind: the fact that the Soviet Union has legitimate, central security pre-occupations which must be accommodated; and the requirement to ensure that Germany's role retains the popular support of the German people. On these two points more than any other, success and stability will rest.

A new direction for NATO, an expanded role for the CSCE, and an intensified relationship with the EEC: those are the institutional pillars of our new policy towards Europe. They reflect our assessment of the most effective means by which the new Europe can be built. And they also reflect Canada's

interests and assets - political, security and economic - in ensuring that we are at the table, that trans-Atlantic links are maintained and that our priorities are addressed.

But our policy towards Europe hinges, as does the future of the new Europe itself, on the continued success of the reforms now underway in the Soviet Union and Eastern Europe. Those reforms have a long way to go before promise becomes reality. There is a period of sacrifice ahead which is both inevitable and daunting. The road will be rocky. There will be set-backs. As totalitarian control is lifted, old nationalisms and unaddressed antagonisms will re-emerge. Courage, imagination and statesmanship are required on the part of the governments and populations of the East. And on the part of the West, patience and prudence will be necessary. The East will not repair in months or even years four decades of damage to their societies. As President Havel stated before the Council of Europe two weeks ago, "What we have inherited from the former regime is a devastated landscape, a disrupted economy and, above all, a mutilated moral consciousness...We find there is almost nothing we are good at and much that we have yet to learn. We must learn political culture, independent thinking, and responsible civic behaviour."

The task of simultaneously constructing democracy and an open market economy, and doing it from the ground up is unprecedented. It has never been attempted in the history of mankind. The West has an abiding interest in seeing the East succeed. That is why, last year, we established a program to assist Poland and Hungary in their efforts at economic reform.

That program involved: \$12 million in emergency food aid; \$20 million in export credit insurance for Poland; and \$10 million for economic development. Specific projects have included:

- support for the innovative International Management Centre in Budapest for management training, the newly named Dean of which is a Canadian;
- a training program for Polish farmers in livestock and farm management;
- the provision of 41 volunteer professionals to business and industries in Hungary and Poland;
- a grant to York University's School of Business Administration to train 40 middle-managers from Poland and Hungary. This will include attachment to Canadian firms;
- assistance in establishing an English/French language

training centre which will also focus on teaching the principles of democratic government and human rights.

In addition, senior Canadian Ministers have visited Eastern Europe, Canadian MPs have monitored elections in Romania, Elections Canada has provided advice to Czechoslovakia for its elections, expertise has been provided to Poland in the area of privatization, and my Department has hosted a session of investment seminars for Poland across Canada.

It is time for the international effort to expand to include the other new democracies emerging from the revolution of 1989. In the weeks ahead, the 24 countries which co-ordinated the program for Hungary and Poland will meet to broaden that effort to include these other countries. Canada will support this initiative and we will announce our own expanded national program in the near term. Canada will also participate fully in the European Bank for Re-construction and Development, to be established shortly. That Bank will provide much-needed capital to fund private sector initiatives and infrastructure throughout Eastern Europe. It will also introduce those countries to the culture, concepts and language of business.

We have established a Task Force on Central and Eastern Europe, which will elaborate the details of our expanded assistance program, administer it, and co-ordinate private and public sector activities. This Task Force has begun an intensive series of consultations with Canadian groups and individuals, encouraging them to participate financially and in practical, concrete ways - and asking them for their advice on initiatives we might undertake.

The Task Force will explore a three-pronged program of co-operation. The first would be a program of support for Canadian business, which could include trade-promotion, management training, support for trade councils and feasibility studies. The second focus would be on economic development, which could consist of technical assistance and management training in many areas, including agriculture, law, taxation, privatization, environment, finance and telecommunication.

The third element would be a political co-operation program designed to ensure that democracy is secure while the countries of Central and Eastern Europe experience their turbulent transformation. Our priorities would be to provide expertise in the areas of elections, law reform, a free media, the development of a professional public service, human rights, and the democratic political process. We would encourage people-to-people contacts.

Assistance to Eastern Europe is not a question of charity. It is a matter of hard common sense and self-interest.

Assistance to Eastern Europe is also not a matter of dumping large amounts of cash into the hands of these new governments. What is more important and more effective is the provision of expertise, the training of managers and decision-makers, the teaching of the tools of democracy, and the encouragement of private sector investment in specific projects and enterprises.

In this task, Canada has an asset available to no other nation. We have our multicultural community. One in ten Canadians is of Soviet or East European ancestry. These Canadians enhance our prosperity and enrich our culture. But they are also a business asset, a trading asset for Canada. They know the customs. They know the decision-makers. They know the systems. And they know the languages.

Already, Sonia and Thomas Bata, the Reichmanns and Andrew Sarlos have blazed new trails into the East. But they are only the tip of the iceberg. There are hundreds of Canadians who are also active in pursuing new opportunities in Europe and many thousands more who have priceless talents to offer. I encourage these Canadians to exercise their natural advantages, to tell us how we can help and how we can do what we do better - and to pursue this opportunity of a lifetime.

I would like to conclude with three observations.

First, the policy I have discussed today addresses a Europe in transition. The policy itself must also evolve with the region it addresses. Europe is not static; and neither will be Canadian policy.

Second, I have described the extraordinary Canadian advantage represented by our multicultural community. That advantage also carries with it responsibilities. One of those responsibilities is this: As Europe frees itself from the shackles of the past, old animosities are re-emerging, animosities frozen by repression and made more dangerous by the absence of traditions of compromise. These animosities can threaten the very social stability which will be required if democracy there is to survive. We Canadians - all Canadians - have a responsibility to avoid fanning the flames of intolerance. We also have an opportunity to encourage compromise and accommodation - the only avenue for societies who wish to turn their back on the old ways and embrace a democratic future.

One final point. What is happening in Europe illustrates graphically today's imperative of interdependence - interdependence between countries and regions, and interdependence between issues - political, military and economic. Interdependence means opportunity. It also means challenge. Global existence today does not have an escape clause - or an escape hatch.

How we behave towards each other at home has an impact on our interests abroad. And what we do abroad determines how prosperous and safe we are here at home.

Engagement with the new Europe is not a luxury; it is a necessity. And Canada will be there, as we must, for our own sake, our own security, our own prosperity.

STATEMENTS
AND
SPEECHES



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Statement by Mr. Gerald E. Shannon,
Permanent Representative and Ambassador of Canada
to the Office of the United Nations at Geneva,
to the Eighth Session of the
United Nations Working Group on Indigenous Populations



Geneva, Switzerland
July 30, 1990

Madam Chairman, I appreciate this opportunity to make a statement on behalf of the Government of Canada.

Recent events at Oka in Quebec have caused increased interest in the circumstances of indigenous people in Canada and I will be speaking to that situation later in my remarks.

To establish a context for the discussion, I would like to take a few minutes to outline some of the general rights and benefits available to indigenous people in Canada. I will also describe some of the approaches of the Canadian government to indigenous issues including our commitment to the protection of their human rights and those of all Canadians.

Indigenous people in Canada enjoy all the rights and benefits available to all Canadians as well as a number of extra benefits designed specifically for them. They enjoy full political freedoms including the right to vote in all elections; they have served and continue to serve in public office as ministers, senators, members of Parliament, as well as provincial and territorial legislators. In fact, five members of Canada's Parliament are indigenous people.

The Canadian Charter of Rights and Freedoms guarantees to all Canadians the full range of fundamental human rights and freedoms, including for instance, freedom of speech and movement, equality before and under the law without discrimination. In addition, the Canadian Constitution contains specific provisions for the recognition and protection of existing aboriginal and treaty rights. As well, indigenous people are protected by provincial human rights codes.

There is also a series of specific programs and policies for the benefit of indigenous people in Canada, which are not generally available to other Canadians. For Indians these include, for example, exemptions from income tax for income earned on reserve, some exemptions from provincial sales taxes, free medical benefits including dental care, subsidized housing on reserve, and subsidized university education. As citizens, indigenous people benefit from many federal, provincial and territorial programs, including those universally available such as family allowance, old age security, hospital and medical care and unemployment insurance.

Approximately two thirds of the almost 500,000 status Indians in Canada, members of 596 bands, live on reserves: lands set aside for the use and benefit of Indians. Indian people are entirely free to choose whether or not to live on reserve lands. Because of their strong attachment to the land and as a means to preserve their culture and traditional way of life, most Indians choose to live on reserves.

Overall the Government of Canada spends approximately \$4.0 billion annually on indigenous programs, which includes over

\$8,000 per capita in direct benefit to status Indians on-reserve and Inuit. This is the largest per capita expenditure on indigenous people of any government in the world. The expenditures on indigenous people in Canada have been increasing consistently over the past decade. For example, in the current fiscal year 1990/91, the Department of Indian Affairs budget increased by 8 per cent even though overall government program expenditures fell. Moreover, the Indian and Inuit Affairs program has increased by some 60 per cent since 1984-85.

Seventy percent of federal programs for Indian communities are administered by the communities themselves, reflecting the Government's commitment to assist indigenous communities to take more control over their affairs, and to achieve forms of self-government within the Canadian federal system.

In line with this commitment, negotiations on community self-government, underway with over 160 indigenous communities, seek a new relationship between the federal government and indigenous communities. Governance, social and cultural programs, land titles and management, federal financing, administration of justice, and health are some of the areas which have been identified for negotiations.

The Canadian Aboriginal Economic Development program, with a budget of \$1.4 billion over five years, further reflects the government's commitment to help indigenous people achieve a greater degree of self-reliance. Since the program's initiation in November, 1989, 231 projects have been supported. About 50 percent of the 6,000 existing aboriginal business enterprises have been started within the last six years.

Indigenous culture is also a key element of autonomy for indigenous people. Programs on aboriginal culture and history have been instituted in the schools on Indian reserves across the country. Over half of indigenous students now take classes in their aboriginal languages. Recently the government of the Northwest Territories formally recognized the six indigenous languages of the territory as official languages, in addition to English and French. As well, all secondary school students in the Northwest Territories are required to learn one indigenous language.

There have been constitutional developments over the past year in Canada that have a bearing on Canada's aboriginal peoples. The province of Quebec was not a signatory to the patriation of Canada's Constitution in 1982. Subsequently, Quebec did not actively participate in the constitutional process including in the negotiations among the Prime Minister and other First Ministers and representatives of Canada's aboriginal peoples that took place on aboriginal issues over the 1983 to 1987 period. However, in April 1987, the Prime Minister and the ten provincial Premiers agreed on

a set of amendments called the Meech Lake Accord. The Accord was designed to bring about Quebec's full participation in the constitutional development of Canada and effectively open the way to constitutional amendments sought by other Canadians. The Accord did not detract from aboriginal rights. Moreover, the Government of Canada made the commitment that indigenous constitutional matters would be a top priority in the next round of constitutional discussions provided for in the Accord.

In June 1990, a set of companion constitutional amendments were developed by the Prime Minister and other First Ministers to accommodate concerns respecting the Meech Lake Accord. These amendments would have guaranteed aboriginal peoples of Canada a First Ministers' Conference devoted exclusively to constitutional matters once every three years with the participation of territorial and aboriginal representatives. Additionally, the Prime Minister made significant, separate undertakings to ensure that aboriginal peoples' constitutional concerns would be addressed through related special processes.

Unfortunately, the Meech Lake Accord and companion amendments were not approved by all provincial legislatures as was required by Canada's constitutional amendment formula. In addition, many indigenous leaders rejected both the Meech Lake Accord and companion amendments.

The failure of the Meech Lake amendments means that Canada's constitutional agenda is effectively stalled. Meanwhile, however, the existing aboriginal and treaty rights of the indigenous people of Canada remain protected in Canada's constitution, and every effort is being made by the Government of Canada to address the concerns of indigenous people - including the realization of self-government for indigenous people - within the existing constitutional arrangements.

Canadian institutions continue to contribute to the advancement of indigenous rights. For example, several important decisions have been handed down recently by the Supreme Court of Canada. The highest court in the country has clarified the nature of aboriginal and treaty rights which are currently protected under the Constitution of Canada. In the Sparrow case, the Court clarified the meaning and application of section 35 of the Constitution Act, 1982, which recognizes existing aboriginal and treaty rights. This case gives a liberal interpretation of "existing aboriginal rights" and appears to broaden the fiduciary duty of the Crown towards indigenous people. In the case of fisheries, it also means that once conservation and management concerns have been addressed, priority must be given to indigenous food fishing and fishing for ceremonial purposes. In the Sioui case, the Court directed that a broad and generous approach be taken in determining whether a document is a treaty.

The Government of Canada provides funding to indigenous people to enable them to appeal their cases, where the issues could establish a legal precedent.

A major issue for indigenous people in Canada is the resolution of claims to land. The federal government addresses claims based on aboriginal title - comprehensive claims - or breaches or non-fulfillment of specific obligations - specific claims. I would like to give you a few details on recent progress.

On April 30, 1990 an agreement-in-principle was signed to settle the Tungavik Federation of Nunavut comprehensive claim. It will provide approximately 17,500 Inuit with over 350,000 square kilometres of land (an area larger than Finland) and \$580 million in cash compensation.

In April, 1990 the umbrella final agreement for settlement of Yukon Indian land claim was initialled. It will, if ratified by all parties, provide some 7,000 Yukon Indians with over 41,000 square kilometres of land (an area equivalent to the land mass of Switzerland) and \$248 million. A final agreement to settle the Dene-Métis claim was also reached. Although a recent assembly of the Dene has requested changes to the agreement, it will, if ratified by all parties, provide approximately 13,000 Dene and Métis with more than 181,000 square kilometres of land (almost the combined size of Belgium, Ireland, Denmark and the Netherlands) and \$500 million.

In addition to land and cash compensation, comprehensive land claims settlements guarantee indigenous people a decision-making role in land management, resource development, fish and wildlife harvesting and the environment. Settlement of such claims is one of the pillars of the federal commitment to strengthen the political and economic institutions in the Yukon and the Northwest Territories.

In the western province of British Columbia, where the federal government has accepted 18 claims, the provincial Premier publicly declared on July 26, 1990 his government's commitment to become involved in solving land claims. In the east, negotiators have concluded a framework agreement with the Labrador Inuit Association, which represents 3800 Inuit and settlers.

In another case with which you will be familiar Madam Chairman, the Canadian Government has long acknowledged that it has an outstanding obligation to the Lubicon Indians. In a recent decision the United Nations Human Rights Committee, confirming the historical inequities which the government acknowledged and commenting on the government's offer to the Band, expressed the view that the government "proposes to rectify the situation by a remedy that the Committee deems appropriate".

I will now turn to the dispute at Oka, in the province of Quebec involving the Mohawks of Kanesatake. The issue concerns land on which urban development was planned by the Town of Oka -- land which the Mohawks consider belongs to them.

The Oka situation is unique among native claims for land in Canada. There is no formal Indian reserve land in Oka at present. Rather, there is a series of blocks of federally-owned land set aside for the use and benefit of the Kanesatake Mohawks. These blocks, which were acquired by the federal government in 1945, are the remnants of a once-vast seigneurie granted by the King of France to the Sulpician religious order in 1717 for the purpose of establishing a Mission there. The religious order came to establish a settlement on the lands and brought with them Nipissing, Algonquin and Iroquois (Mohawk) Indians from Montreal. The ownership of the land has been disputed by the Mohawks since the 1700's.

Nonetheless, the Government of Canada has attempted to find a way to address the concerns of the 1,539 member Mohawk community and the 750 residents of Oka. Community planning studies, financed by Canada, were undertaken by the Mohawks of Kanesatake in 1988/89. Since August 1989, a federally appointed mediator has worked with the parties on this issue under an agreed mandate. A framework agreement was reached in September 1989, establishing a ratification date for both sides of March 1, 1990.

In January, 1990, however, the Chief of Kanesatake was replaced by the community, in accordance with its traditional procedures. On March 6, the new Chief and Council requested an indefinite suspension of the negotiations. The municipality of Oka then lifted its moratorium on development of the land. This was followed immediately on March 10, 1990, by the Mohawks erecting a barricade on a public road. In June, the federal Minister of Indian Affairs met separately with representatives of Oka, Kanesatake and the Quebec Native Affairs Minister, in an effort to bring the parties together and find common ground.

However, the municipality of Oka obtained an injunction from the Quebec Superior Court ordering the Mohawks to remove the barricade. The Mohawks refused to comply with the Court order. On July 10, the Oka Council requested the Sûreté du Québec (the Quebec Police Force) to enforce the injunction. A police officer was shot and killed at the barricade, which was manned by heavily armed members of the Mohawk Warrior Society, using weapons that are illegal in Canada. In support of Kanesatake, the Mohawks of Kahnawake set up a barricade blocking a bridge on a major highway connecting two parts of metropolitan Montreal. Media reports indicate that there is some disagreement among various members of Mohawk community about the tactics being employed by the Warriors.

Under Canada's constitution, the administration of justice is largely the responsibility of provincial governments. Consequently, in an effort to resolve the confrontation, negotiations with Kanesatake were initiated by the Government of Quebec through its Minister for Native Affairs.

In the last few days, some significant developments have taken place. On July 27, the Quebec Government presented to the Mohawks of Kahnawake and Kanesatake a written seven point proposal designed to resolve the impasse. Among other things, it:

- offers to reduce the police presence in Oka-Kanesatake, simultaneously with relinquishment of weapons by the Mohawks;
- proposes the establishment of a supervisory commission made up of seven members to be chosen jointly by the government of Quebec and the Mohawk Nation, to control and supervise the return to normalcy;
- reaffirms measures to maintain free access to food and make clear that it is not the Quebec Government's policy to restrict access to food and that it never will be. (Needless to say, the Canadian Government does not condone the use of food as a weapon at home or abroad.);
- offers to make the Mohawk Nation a party to the coroner's inquest into the death of the police officer.

The Government of Canada expects to conclude the purchase of the disputed land for use of the Mohawks of Kanesatake this week. The purchase brings to fruition two years of work to rationalize land holdings at Kanesatake and the government is hopeful that these actions will allow for a relaxation of tensions there.

However, the federal government is firm in its resolve that it will not negotiate land questions behind barricades or in the face of armed intimidation. Peaceful discussion and open dialogue is the only route to genuine, lasting resolutions. Dialogue is the Canadian way. The Government of Canada has demonstrated its commitment to finding solutions for the problems at Kanesatake, and it supports fully Quebec's seven point plan for disengagement on both sides and the lowering of tensions.

The Government of Canada announced on July 27 its willingness to negotiate a means of resolving the special land claim of the Mohawks of Kanesatake, with representatives of the community and the Province of Quebec, once normalcy returns to Kanesatake and Kahnawake.

Across the country, the Canadian Government is determined to continue its efforts to cooperate with indigenous leaders to address their concerns, and to work together to improve the conditions of indigenous people in Canada. We will work on areas which indigenous people themselves identify as priorities: the

achievement of self-government, the resolution of land claims, the clarification of treaties, the development of reserve economies, Indian control of Indian education and the revival and protection of indigenous languages and culture.

We are making progress but we have a lot of work to do and we are determined to do it.

Madam Chairman, finally, I would like to inform you that my delegation will be depositing several documents outlining Canada's record respecting indigenous people. We expect that these will be helpful to the Working Group in the course of your deliberations. Thank you.

STATEMENTS
AND
SPEECHES



DÉCLARATIONS
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90/11

"CANADA IN THE WORLD: FOREIGN POLICY
IN THE NEW ERA"

Notes for a speech by
the Right Honourable Joe Clark,
Secretary of State for External Affairs,
on the Occasion of the 66th Meeting of the
Canadian-American Committee of the C.D. Howe Institute



Ottawa, Ontario
September 13, 1990

The last year has brought into focus a revolution in global affairs, a transformation without precedent in this century. We are at the dawn of a new era, an era of extraordinary promise and profound challenge for Canada and for the world. Part of my purpose here today is to describe that revolution in global affairs, and some of its consequences. But my purpose is also to put to you a vision of Canada's role in this new era, a Canadian view of the world and a view of Canada in that world.

The symbols of the new age are compelling:

- The Berlin Wall demolished and the Iron Curtain torn in tatters;
- Vaclav Havel, once a prisoner, once a playwright, now President of Czechoslovakia;
- The leaders of the two superpowers, former implacable enemies, meeting in Helsinki in common purpose; and
- The United Nations, once divided and dispirited, now united as never before in acting against aggression in the Gulf, in planning for peace in Cambodia.

Only a few short years ago, those images would have been dismissed as fantasy.

The scope of today's change is measured by the inadequacy of the old words of diplomacy. The terms East and West have lost their meaning. The Cold War, once the dominant motif of global relations, has evaporated. What we used to call the Communist threat has disappeared, both because there is no longer a threat and because communism itself is dead in all but name. National security - once competitive - is now co-operative.

Those are hopeful unprecedented signs that problems we once thought permanent are now being solved. But there are signs of other problems, growing more serious:

- the debilitating tentacles of the international drug trade;
- the pervasive plague of terrorism;
- the dangers of a decaying global environment;
- the proliferation of weapons and of their means of delivery;

- the daunting problems of international debt and development;
- and the persistence of regional conflicts which prove that avarice and ideology still sew discord.

There is a connection between that new hope and those new threats, and that is a growing pragmatism that dismisses systems or nostrums that don't work.

Look for a moment at what has happened in Europe. It is not the victory of West over East. We did not force change upon those societies. Instead the people themselves recognized that their ideology did not deliver. It did not work. The collapse of communism has not been the triumph of another ideology; it has been the triumph of a pragmatism which proves that when all is said and done, governments and leaders and systems are judged by what they produce, not by what they promise.

That new pragmatism has its counterparts around the globe:

- In Latin America, brave governments and brave peoples are facing serious problems head on, and putting their societies on the road to recovery.
- In South Africa, Nelson Mandela and President de Klerk have begun the process of dismantling apartheid.
- In Asia, the two Koreas have formally met, and the four parties in Cambodia have agreed to United Nations supervision, raising a prospect of ending divisions that have lasted decades.
- And throughout the Non-Aligned Movement, there is a new realism, a welcome diversity, and a willingness to work together with the developed world to seek solutions which work.

This is a world of new promise and new problems. It mandates a foreign policy which is active rather than passive, flexible rather than rigid, co-operative rather than confrontational.

Let me talk about the approach Canada takes to that world.

Foreign policies do not emerge from blank books or back rooms. They are shaped by what a nation is and by what it is not; affected by a country's assets and a country's limits and informed by a nation's past as much as its present.

There are foreign policy choices open to some countries which have never been open to Canada. We could never aspire to great power. Our population and our economy are too small. The choices of conquest, or of empire have never been open to Canada.

Nor has it ever been open to us to act unilaterally or alone. On all the important issues, success for Canada has meant co-operation with others.

Look at economics. We are a country of traders. We depend on the international economy as do few others. We need clear rules, open access, stable markets. That means we must pursue our economic interests with others. So we have pursued a policy of more open trade through co-operation with other traders - whether in the GATT, or through the Free Trade Agreement, or through the Cairns Group on Agriculture or the new emerging forum for Asia Pacific Economic Co-operation.

Similarly, in military matters, we have had little choice but to seek our security through co-operation with others. Our land is too large, our air-space too vast, our coast lines too long. In addition, as a middle power, we have always recognized that it is not here where wars will start or peace will be made. Those choices will be made far away from Canada - but we will be either the victims of conflict or the beneficiaries of peace. So we have pursued our security through co-operation - through NATO and NORAD and multilateral institutions such as the United Nations.

Our foreign policy has been influenced by both our size and our situation. We are at the northern end of a continent we share with a superpower. That situation has led to a close partnership with the United States in the search for peace and prosperity. But it has also led us to emphasize our other associations - with our European Allies, our families in the Commonwealth and La Francophonie, our partners in Asia and our other neighbours in this hemisphere. That reaching out is in pursuit of tangible interests - economic, political and military. But it also reflects the desire for a flexibility which is essential to our success as a smaller power whose next-door neighbour is a superpower.

Our foreign policy, therefore, is influenced both by what we are and what we are not. I do not imply determinism. This country has had choices. We could have been less international in our outlook. We could have been less inclined towards co-operation and the search for solutions to international problems. And we could have been less committed to our alliances and to our friends.

But, by and large, those were not the choices made by Canada. One choice we have made is to keep our feet firmly in the Western camp. The values we have brought to our foreign policy flow from our profound commitment to freedom and democracy. And that commitment comes from the fact that we have built our country by inviting the world to come here and to grow together in peace and freedom. Our foreign policy has been based on supporting abroad what has brought people here. We have pursued this in many ways:

- our support for refuseniks and dissidents behind the Iron Curtain;
- our fight against apartheid and our support for non-racial democracy in South Africa;
- our activism in the U.N., the CSCE and elsewhere in defence of human rights; and
- our alliances through NATO and NORAD which have served to protect our own freedom and our own democracy.

That is one connection between the nature of Canadian society and the nature of Canadian foreign policy. But there is another. And that relates less to the causes we pursue than the approach we take. It flows from the fact that Canada is not a natural phenomenon. For 25 million people to occupy the second largest piece of real estate in the world is not natural. For a country of that size to be able to safeguard our security and our culture and our economy is difficult. For a country which stretches East and West to survive when its natural links run North and South is a challenge. And for a country composed not of one culture but of many, to remain whole is not easy.

But in this challenge we have succeeded. We have avoided civil war and revolution. What we have achieved is unique - a voluntary association of many traditions, and different cultures. The accomplishment of Canada has been to recognize that diversity is not a blemish but a blessing, and to accept that the interests of each community, can only be secured if the interests of others are respected. That Canada has done so well for so long is a testimony to the enduring value of a sense of compromise, which sees advantage in balancing interests, balancing views, balancing powers and responsibilities. That is a lesson of increasing relevance to the world.

As John Holmes, once said: "As managers of the unmanageable, I would stack Sir John A. or Mackenzie King up against Bismarck or Bolivar any day. If they aren't comparable to Lincoln it is because they made sure not to have his problem."

We have brought our experience at home to our approach abroad.

- The Canadian experience proves that strife can sometimes be avoided if antagonists are talking rather than shouting or shooting.
- The Canadian experience proves that while there are often rights and wrongs, there are also often two sides to a story - or even more - and that dialogue is not the avenue of the fearful but the successful.
- The Canadian experience proves that institutions and relationships succeed only when they are flexible and allowed to grow when reality and interests change.
- The Canadian experience proves that solutions lie not in grand schemes and blueprints, but in processes that work and produce results.
- The Canadian experience proves that stability requires a legitimacy which comes from a shared sense that all interests and perspectives are reflected in the institutions of governance.
- The Canadian experience proves that while compromise may preclude total victory, it also preserves peace.

Those conclusions come as much from our failures as from our successes. We have failed when our institutions have ceased to reflect the society we have become. We have failed when we have ceased to talk and started to shout. We have failed when we have rejected compromise or ceased to be flexible in our approaches to nation building.

I believe that it is this experience as much as our situation, which has shaped Canadian foreign policy over the years. We know that if our country requires this behaviour to remain peaceable, that behaviour is even more necessary abroad.

Let me proceed to some lessons and to some examples which reflect Canada's approach to the world.

Lesson 1. Institutions and organizations must adapt if they are to be relevant.

That is why Canada has taken the lead in finding new roles for NATO. That is why we are deeply involved in seeking a new mandate for the CSCE and in adapting the Commonwealth to meet the new needs of its membership. And that is why Canada joined the Organization of American States and moved quickly and successfully to propose new reforms.

Lesson 2. There is little to be gained from isolating countries and ending all contact. Only when there is no practical alternative should such a course be followed. Isolation can be self-fulfilling. Countries without contact are not countries which compromise.

That is why Canada initiated its opening to China in 1971, why we continue to maintain relations with Cuba, why we chose not to impose an embargo on Nicaragua, why we have kept an embassy open in South Africa.

Lesson 3. Unilateralism, while sometimes necessary, is almost always less preferable than multilateral or co-operative approaches. Unilateralism is by definition unpredictable. It often fails or backfires. And while multilateral approaches to problems may be slower and the result less satisfying, the outcome can often be more significant and stable precisely because it is based on consensus.

That is why on issues of trade Canada is such a strong proponent of a strengthened and successful round of the GATT, which would result in new rules observed by all, fairly and fully. That is why at the U.N. Security Council we took the lead in ensuring that the unprecedented international effort to enforce U.N. sanctions against Iraq was conducted with the explicit authorization of the world community. And that is why whether on the Soviet invasion of Afghanistan or the Iraqi invasion of Kuwait we have been so forceful in opposing those unilateral acts of aggression.

Lesson 4. International organizations should be made to work. They should not be abandoned, even when their failures are intensely frustrating. Reform is rarely achieved from outside, and often achieved from inside.

That is why we remained in UNESCO, and helped move it toward recovery. That is why we seek to reform the invaluable trans-Atlantic institution of NATO, rather than pretend it became irrelevant when the military threat declined. NATO is an institution which works, and has a critical role in building new relations between East and West, and between Europe and North America.

Lesson 5. Co-operation within regions should complement co-operation between regions.

That is why we have been such strong proponents of a North American role in Europe - whether through NATO, the CSCE or dialogue between the European Community and the countries of this continent. That is why we pursue new dialogues, on trade and on security with the countries of Asia Pacific, with whom we share so many common interests. That is why we have stressed that the Soviet Union must be a full partner in a new Europe, that should stretch from Vancouver to Vladivostok. That is why we have sought new links with the nations of Latin America.

Lesson 6. Stability is necessary for successful change. International progress on virtually every issue is made more difficult if countries feel insecure and if predictability is impossible. Countries won't take risks if they are not confident in their future. Structures can be changed most easily when they are stable. And change is virtually impossible when there is no structure at all.

That is why we argue for reforms in NATO to provide stability in a Europe in dramatic change. That is why we were strong proponents of German unification within a united Europe and a stable East-West environment. That is why we have proposed several initiatives to enlarge the CSCE's role in setting new rules for the new Europe; why we have pursued a settlement in Cambodia; why we have urged a new circle of dialogue between ASEAN and its neighbours. And that is one reason why Canada has placed such emphasis on Official Development Assistance - to help poor countries develop the prosperity which is the foundation for stability at home and stability abroad.

Lesson 7. The preservation of peace is based not simply on a balance of interests and power, but also on trust and confidence. The generation of mutual trust between parties is as important in building peace between countries as it is within countries.

That is why Canada has taken the lead in developing expertise and proposals for the verification of arms control agreements in Europe and elsewhere. Verification builds trust. It gives confidence in compliance. We have pursued these initiatives at the CFE talks in Vienna, at the Conference on Disarmament in Geneva and through the Open Skies initiative.

The desire to build trust is also at the base of our peacekeeping tradition and our preoccupation with conflict resolution. No country in the world has participated in more international peacekeeping activities than Canada. Those activities do not in themselves solve conflicts but they provide breathing room for diplomacy to proceed. They give peace a chance.

Lesson 8. Dialogue is almost always preferable to silence or shouting. It would be naive to believe that dialogue can always produce results, or that those results will come easily and without compromise. But dialogue has a way of inducing compromise and understanding which is vastly preferable to the alternative of conflict or stand-off.

That is why we played a lead role at the Paris Conference on Cambodia in initiating a process which is now moving forward towards peace. That is why we have provided concrete support for face-to-face encounters and dialogue between blacks and whites in South Africa. That is why we have argued that it may be time for Cuba to return to the Organization of American States. That is why we invite our friends to consider a North-Pacific security dialogue involving Canada, the United States, the Soviet Union, Japan, China and the two Koreas. That is why we believe it is time to look at a new conversation between developed and developing countries, a conversation without dogma focused on specific issues and specific solutions.

Lesson 9. Dogma is dangerous. It is dangerous abroad as it is dangerous at home. Adolph Hitler proved that, as did Pol Pot and so many others. Saddam Hussein is proving it again.

But so too is a different sort of dogma - the dogma of the search for uniformity, of the presumption of shared values, of the separation of the world into 'them' and 'us'. To quote John Holmes again, "tidy-minded people are a menace in world affairs because the world is untidy."

Those lessons and those examples demonstrate an approach to international affairs which is, I believe, distinctly Canadian. It reflects our assets and our limits. It reflects our view of how problems are best resolved, based on our own national experience. And of course, it reflects the national interest of a country which cannot dictate and which must therefore discuss.

Those are some of the principles which govern the conduct of Canadian foreign policy. Of course, other countries have pursued similar approaches. I suggest that, in this new era, the principles and practices of Canadian foreign policy should become - and are indeed becoming - foreign policy guidelines for others.

There is a perpetual debate in this country about whether or not our foreign policy is different enough from that of the United States. For some people, being different is more important than being right. I think the real phenomenon in recent years is that Washington's approach to foreign policy is becoming more Canadian. I think that has happened with regard to the CSCE, to NATO, to Latin America, to the United Nations and that is a welcome development appropriate to this new era of pragmatism and co-operation.

STATEMENTS AND SPEECHES



DÉCLARATIONS ET DISCOURS

90/12

Notes for a speech by
Mr. L. Yves Fortier,
Permanent Representative and Ambassador
of Canada to the United Nations,
to the United Nations Department of Public Information's
Annual Conference for Non-Governmental Organizations
"A World Safe for Children:
Meeting the Challenge in the 1990s"

New York, United States
September 13, 1990



I am honoured to have this opportunity to address you. A profound subject has drawn us together: our responsibilities to our children and how the Summit ought to serve them. I commend Madame Sévigny and her colleagues at the Department of Public Information for their initiative in organizing this conference. And I commend you, representatives of the organizations that have done so much for children over the past decades and continue to work on their behalf, for your vision, dedication and perseverance.

You well know that the statistics are brutal. They break the hardest heart: the tens of thousands of children who die each day from malnutrition and preventable diseases; the millions more who wake and sleep without adequate food, clothing or shelter; the countless children abused and neglected, who wander the streets alone, without love or care. No more damning comment could be found on our global priorities in the most affluent age in history.

You and I all know these children. We have seen them, on television, we have seen them on the streets of New York and Montréal, we have seen them in our travels and work abroad, we have seen them in our own lives. We know that they are the human reality at the heart of those statistics. We know that beneath each number lies a life of suffering, tears and heartbreak. We also know in our hearts that childhood should be graced by joy and wonder and love and care.

The World Summit for Children will be, in part, about statistics. It will be about improving them, erasing that sad litany. But more, it will be about hope and values and commitment; about improving human prospects through the most sensible means--investing in the embodiment of the future, our children, through whose health and education the future will be gained. No species can survive a breakdown in the care and protection of children. Its consequences are evidently lethal. We need to rediscover the astonishing returns on investment in children and the systems that support them, health care, in primary education and in enhancing the status of women.

We have the means to repair that breakdown, as you well know. We have the knowledge and the technology to reduce child and infant mortality rates, to combat malnutrition and childhood disease, to provide universal access to clean water and safe sanitation, and to ensure basic schooling for all. Simple, low-cost solutions exist.

What has been lacking, till now, is sustained, coordinated will to put the solutions into action. What has been needed is empowered will, at the highest political level, to raise the priority of the survival and protection of children and the commitment to make this priority tangible.

This is the aim of the Summit. To acknowledge that children deserve to be our highest priority. To insist that children must no longer be the victims of the follies of their elders. To emphasize that looking after the child's total environment cannot be regarded as a luxury, but must be taken as the norm, the first thing we do in a civilized world.

You, who have been telling us these things for years may well ask: "Why has it taken so long?" For one thing, the East-West tensions that dominated international relations for most of the post-war era made international cooperation on children's or any other issues impossibly difficult. It has been only in the last year or so, with the fall of the Berlin Wall and all that symbolized, that we have been able to seriously contemplate cooperation on such a grand scale. And I stress that what is needed is international cooperation. We are talking not just about Canada's children nor just about Mali's or anyone else's. We are talking about all the world's children. The crisis of children cuts across traditional divides of nation and statehood. It transcends class, ideology, religion and culture. Fortunately, the knowledge and means to implement universal solutions are just as disrespectful of borders.

The realization that issues involving children cannot be compartmentalized--that they must be dealt with comprehensively--has come to us gradually. It has been useful to provoke domestic and international reviews of program spending with a new focus on the care and protection of children. There is today a much greater awareness of the vulnerability of children. It is now, as this conference recognizes, not a question of making children adapt to whatever adults may do in the world, but rather of making the world a place where children find opportunities for positive growth and development.

As co-chair of the Summit, Canada has three priorities: First, we want to promote a better awareness and understanding of the problems that confront children and their families throughout the world. Second, we want to encourage nations that have not yet signed and ratified the Convention on the Rights of the Child to do so. I am proud to say that the government of Canada signed this landmark document on May 28th and is working with the provinces and territories towards its rapid ratification. Third, in

conjunction with other nations, we will remember and respect the Summit Declaration and take action to implement its Plan of Action.

All countries, developed and developing, must come to terms with the effects of their policies and actions on the well-being of children. Our goal must be to pass to our descendants a stable, prosperous and ecologically healthy planet. Children must not only inherit a better world in the future, they must be given a better world in which to live today.

For the past year, as Prime Minister Mulroney's personal representative, it has been my pleasant task to be closely involved in the preparations of the Summit. I have been working with the Initiators, the UN and the Planning Committee on the format, the program, the Declaration and the Plan of Action. I have met with volunteers and NGO representatives. I have discussed the Summit with editorial boards and given dozens of interviews to journalists. In all of this, I have been deeply touched by the personal commitment of everyone involved. I have been inspired by the active teamwork of my colleagues from the other five initiating countries, who are represented on the platform today. We have all, as well, been inspired by UNICEF and the leadership of James Grant, without whose vision and determination the Summit would not be a reality. Finally, across Canada and here in New York, I have been inspired by the commitment and competence of non-governmental organizations. They animate the public agenda and they help deliver the goods. We are all much in their debt.

But the Summit in itself will not be enough. The Summit can provide the inspiration, the impulse. It can provide, through the Declaration and the Plan of Action, goals and a framework for action. But putting those documents into effect will require the partnership of governments, international agencies, voluntary organizations, families and individuals. In enriching this network of capacity, your role is paramount. You represent the organizations closest to the communities and to children. You have the relevant experience and the essential enthusiasm. It is through your work and contribution that millions of lives have been saved in past years; it is through your work and contribution--backed by the full support of world leaders--that millions of lives will be saved in the future.

The experience of the 1980s has shown that it is only through the mobilization of all sectors of society--

including some that have not traditionally considered child survival, protection and development their responsibility--that significant progress can be achieved in these areas.

In government, we will be looking to you, in the NGO community, for advice and assistance in meeting the Summit's goals. We will be asking you to sustain our focus on the welfare of children around the world. We will be encouraging you to help us deliver vital knowledge and skills to the doorsteps of all families. We will be expecting you to press us to keep the needs of children high on our lists of priorities. And we will be counting on you, through your fund-raising and action in the field, to contribute directly to saving lives and improving the health and education of children. Above all, we urge you to become government partners and the articulate voice of children in making the most of this Summit. The true success of the Summit will not be measured at the end of the day on September 30th. It will be measured many years down the road, in the number of deaths prevented and the number of lives improved.

In Canada we have been privileged to have a coalition of NGOs helping us shape our participation at the Summit. The Canadian Coalition for the Rights of Children represents over thirty organizations concerned about the condition of children in Canada and around the world. We have jointly reviewed policy and mobilization issues. The Coalition has organized workshops across the country so that the views and concerns of children and youth could be conveyed to Prime Minister Mulroney before his participation in the Summit. The Coalition has also issued a reasoned and thoughtful Statement of Principles.

In New York in two weeks time, 80 national leaders--the largest gathering ever of Heads of State and Government--will, for an intense day and a half, consider the protection and growth of the most vulnerable and most precious members of our societies. The Summit will not at all mark the end of a process, but rather a new beginning. With your support and assistance, the impetus--the energy, the impulse--that leaders provide can make this a better, safer, a more secure world for all of our children.

STATEMENTS AND SPEECHES



DÉCLARATIONS ET DISCOURS

90/13



Notes for a speech by
the Right Honourable Joe Clark,
Secretary of State for External Affairs,
to the Forty-fifth Session of
the United Nations General Assembly

New York, United States

September 26, 1990

External Affairs and
International Trade Canada

Affaires extérieures et
Commerce extérieur Canada

Canada

Mr. President,

I would like to offer you my congratulations and profound best wishes as you assume your important duties as President of this General Assembly of the United Nations. The wisdom and the understanding you bring to this position is particularly appropriate for these historic times. I am confident you will do great honour to the legacy left by your distinguished predecessor.

Mr. President, a few days hence the leaders of over 80 countries will gather here to discuss the pressing plight of tens of millions of innocent children around the world - the horrors of hunger and disease, the debilitating consequences of illiteracy, the abomination of abuse. The Prime Minister of Canada has the honour to co-chair that World Summit for Children which will focus our attention as never before on what this Organization must still do: construct a world order which allows all nations, all peoples, all colors and creeds to live on a planet which is peaceful, prosperous, free and just.

There is an old Haida Indian saying from Western Canada: that "We do not inherit this land from our parents; we simply borrow it from our children." That idea motivates the Children's Summit as it must this Organization.

We live in uncommon times. Never before has the opportunity for this body to exercise its intended mission been greater. And never before have the risks and challenges been so daunting.

This past year has seen the tearing down of old barriers, the disintegration of walls - walls of the mind and real walls - walls we once thought permanent.

We in the West, perhaps to an extreme, used to view the world through the prism of the Cold War. That prism determined many of our priorities and guided our actions. That prism was a prison, and it has now been shattered. The consequence has been liberation. Liberation for millions in Central and Eastern Europe who now experience democracy where they only recently dreamt. Liberation for the minds of men and women who can now turn to old problems long neglected and the new problems now before us. Liberation for the world, which is now being freed from the tensions of a European balance of terror that penetrated to the farthest corner of the globe. And liberation for this Organization where the words of the United Nations Charter can cease to be distant goals and may now become descriptions of our common action.

This past year has seen progress in many regions and on many issues.

Namibia, the last colony in Africa, is now its newest democracy. We take great pride in the UN's role in assisting Namibia make its transition to independence, an effort which was truly global, involving 109 members of this Organization.

In South Africa, Nelson Mandela is free and he and President De Klerk are on the verge of beginning a process of negotiation which must build a non-racial, democratic South Africa. We applaud this progress, and look forward to the day when there is clear and irreversible change in the apartheid regime. We call upon all in South Africa to work to bring an end to the murderous violence which casts a shadow over the negotiations process.

In Cambodia, the parties to that long and bloody conflict may be on the path toward peace. Canada applauds the unanimity displayed by the Security Council when it approved last week a framework for a comprehensive political solution in that country. We hope that this will set Cambodia on the road to any early, just, lasting and peaceful settlement. Canada's support is unequivocal in that effort and we have already pledged \$1.5 million to help the UN give effect to its plans.

Elsewhere in Asia, the government of South Korea has taken a welcome initiative in beginning talks with its northern neighbour. We look forward to South Korea assuming its place as a full and active member of the Organization, as soon as possible.

In Latin America, the UN's unique experience and expertise in peacekeeping has been invaluable. The ceasefire in Nicaragua, the successful conclusion of the democratic process there, and progress in talks in El Salvador and Guatemala may finally bring hope to a region torn too long by conflict and ideology.

And in the Persian Gulf, the United Nations is acting as it has not been able to for decades. It is acting to bring the authority of the international community to bear on a country which has grossly and clearly contravened the UN Charter's prohibition on aggression and the solemn undertakings of all UN members to settle disputes by pacific means.

The ability of the Security Council to act in concert is testimony to the new era of co-operation now open to us. It is also a warning to Iraq that the UN will not relent until it has withdrawn from Kuwait and restored independence to that small country.

But we need more than resolutions. All members of the UN should ensure the effectiveness of the measures agreed to date and use whatever diplomatic resources are available to persuade Iraq to withdraw.

Iraq's aggression is a litmus test for what the United Nations can now become. If we succeed here, the United Nations will send a clear and unambiguous signal to others that the world is now different. That it will not tolerate aggression and that international law is to be obeyed and not ignored.

Mr. President, now is not a time for complacency. That we are succeeding in some parts of the world means we have yet to succeed in others. That we have solved some problems means there are many yet to solve.

In Lebanon, a grave situation continues, and while we take heart from constitutional progress made in the past year, all members of the international community - collectively and individually - must make efforts to restore Lebanon's independence, sovereignty and territorial integrity.

In the Middle East, although the world is focused on the Gulf, the continuing Arab-Israeli and Palestinian-Israeli disputes are unresolved and threatening. A just and lasting negotiated solution based on the Security Council Resolutions 242 and 338 and the legitimate rights of the Palestinians, including their right to self-determination, is more vital than ever.

In the Western Sahara, some progress has been made through the great efforts of the Secretary General to encourage dialogue directed to peace. The real difficulties persist and a settlement has yet to be reached.

And in the Horn of Africa, the cycle of conflict, poverty and starvation continues. While we can take pride in the way the UN and its agencies provided food to those in need, only a lasting political solution will end the terrible curse of famine in that region.

Around the world, the challenge is all too clear:

- unequal levels of development which perpetuate poverty and spawn conflict;
- a world population which will expand by 3.5 billion over the next three and a half decades;
- 14 million children dying each year from illness and hunger;
- a generation debilitated by drugs;
- the proliferation of weapons - chemical, nuclear and conventional;
- and an ailing environment, whose air is being poisoned, whose oceans and lakes are becoming cesspools and whose forests are being destroyed as if they were disposable.

That is not the picture of a planet of promise. It is the picture of a planet in pain.

My own country, Canada, is a place blessed by Providence. We are prosperous. We are free. We are at peace. But we too have

had to confront the need for new attitudes and new approaches to our own problems, including the situation of our aboriginal people.

Although we failed this year in finding a new constitutional accommodation for our country, I can promise the Assembly that Canada will succeed in renewing our Confederation. And we will do so with that same flexibility, imagination, tolerance and compromise which have made Canada, a nation of so many cultures, into what Barbara Ward once called "the first international country".

Mr. President, it is those same values which speak to the needs of this Organization and this world. In this new era, compromise must cease to be seen as second-best. It must become the instrument of our common cause.

In the years between the two World Wars and in the depths of the Cold War, there were debates about whether a state's interests were best pursued through unilateral action or through co-operation and compromise. That debate is now over. It is over not because one side won. It is over because the world has changed. The choice today is not between realism or idealism, unilateralism or co-operation; it is between success and failure. Co-operation is now the new realism and pragmatism is the only path to progress.

We either work together and succeed or we work separately and fail.

We need new action. But we also need new attitudes. Ideas that animate. Ideas that indicate what is no longer feasible and what is now necessary.

I believe our first challenge is to re-define the concept of security.

Security has ceased to be something to be achieved unilaterally. Security has ceased to be something to be attained through military means alone. Security has become multidimensional and it has become co-operative.

In a world where poverty and underdevelopment plague most of the planet, the developed world cannot pretend to be secure simply because it alone is prosperous. In an era of nuclear and chemical weapons, of ballistic missiles, of terrorism, of interdependent markets and economies, of diseases, the development of prosperity throughout the world is not a question of charity but of security.

That mandates continued emphasis on Official Development Assistance, on more open and freer markets, on innovative debt strategies. Those are not only economic or humanitarian actions; they are security imperatives.

In a world where the frontiers of States may be secure but the air, land and water is being poisoned, environmental action is also a fundamental security question. And in a period of burgeoning

population and rapid industrialization, where winds and water know no borders, environmental security will only be achieved through co-operation.

That mandates an approach to the 1992 UN Conference on Environment and Development which is aggressive and innovative. It requires a realistic dialogue between the developing and developed world about environmental damage which threatens all states, rich and poor. As part of this effort, Canada will vigorously pursue the possibility of a World Forestry Convention by 1992.

A new concept of security also requires that we address more effectively the political and military tensions which persist in so many regions of the world.

While there is much to be done globally, I believe that a new focus on regional approaches to security is more necessary and more promising than ever. It is more necessary both because of the consequences of conflict arising from interdependence and because of the destructive nature of modern weapons. And it is more promising because the absence of East-West tension now frees countries and regions to pursue solutions to local problems on local terms.

Security is more than the absence of war; it is the presence of peace. That requires a shared sense on each side that the survival of the other is in its best interest. This means building trust and confidence.

Canada believes that a regional approach to confidence-building has much to offer. That approach can involve a variety of measures: dialogue itself designed to exchange perspectives and increase understanding; greater transparency in terms of military capacity; agreements to inform other members in the region of activities they might consider threatening in the absence of warning; and, eventually, institutions and processes of conflict resolution and crisis prevention.

Confidence-building is not a blueprint or a grand solution. It does not prejudge outcomes or impose solutions. It is not rigid. It is what this Organization has always done best. It is step-by-step. It is functional. It is flexible.

The success of such an approach in Europe is undeniable. Obviously specific measures taken in Europe may not apply to other regions. Those regions will require approaches tailored to their nature and requirements. But the fundamental principles of confidence-building apply.

It is for this reason that in addition to proposing new initiatives for the Conference on Security and Co-operation in Europe, Canada has suggested that the countries of the North Pacific region may benefit from similar approaches to confidence-building. Those might include advance notification of military

manoeuvres, an Open Skies regime, and military data exchanges. Other regions of the world -- the Middle East, Latin America -- might also benefit from a regional approach to confidence-building.

One of the key elements of confidence-building is verification. Verification provides proof. And proof triggers trust. That is why Canada co-sponsored the resolution passed by the General Assembly calling for an Experts' Study on Verification to be conducted by the Secretary General. A Canadian chaired this study and we will take the lead at this Assembly in proposing a Resolution which will call on the UN to:

- promote increased dialogue between diplomats and experts on verification issues;
- establish a UN data bank of verification research material;
- support and expand where appropriate the powers of the Secretary General to engage in fact-finding missions as they relate to the possible violation of existing arms control agreements.

Mr. President, there is one persistent security problem above all others which the international community has failed to address satisfactorily. And that is the problem of proliferation - proliferation of weapons of mass-destruction and their means of delivery, as well as conventional weapons which have become so destructive.

We all recognize that arms do not cause conflicts. But we must also recognize that arms can make conflict more likely and that they make that conflict more destructive when it occurs.

The progress between the superpowers on the reduction of their stockpiles of nuclear weapons is welcome, as is the progress made to date in ensuring a successful conclusion to the conventional force reduction talks currently underway in Vienna. Those negotiations can and must succeed.

But to reduce capabilities and enhance confidence in one region and with some weapons is only part of the challenge. There is much more to be done.

In the area of nuclear proliferation, the just concluded Review Conference of the Non-Proliferation Treaty, despite consensus on almost all issues, was unable to agree on a concluding document. That failure should alert us all to the dangerous prospect of unravelling of this vital international treaty. Canada believes that movement is needed on all sides. We welcome the joint American and Soviet commitment to a step-by-step approach to further restrictions on nuclear testing. We believe that commitment should be followed up immediately, with the final goal being a comprehensive ban on nuclear testing.

At the same time, we have been deeply disturbed by a tendency among some others to adopt positions which can only act to undermine the vital consensus which underlies the existing treaties on non-proliferation and nuclear testing. Clearly, compromise and forward movement is required on the part of everyone. But the pursuit of other objectives should not be allowed to threaten those existing agreements which have become so vital.

Mr. President, it is Canada's firm view that both the Non-Proliferation Treaty and a Comprehensive Test-Ban Treaty are too important for international peace and security to be held hostage one to the other.

Regional nuclear arms, the threat of chemical proliferation and use has been raised starkly again by the situation in the Persian Gulf. We must move quickly to a comprehensive and global ban. We urge all parties at the Conference on Disarmament to ensure that the opportunity for a successful agreement is not lost and that agreement is reached soon. During this Assembly, Canada, along with Poland, will seek to strengthen the commitment of all Members to that end.

In addition, Mr. President, there is the very important issue of arms transfers and the arms trade. It is critical that peace in Europe not be purchased at the price of a more innovative arms bazaar elsewhere. That arms bazaar has stunted development by hijacking scarce resources. It has distorted whole economies. It has increased bloodshed.

It is important in this context that all parties to the conventional force reduction talks in Europe take steps to ensure that weapons affected by that agreement not end up as contributions to potential conflicts elsewhere in the world.

The continued proliferation of ballistic missile technology is particularly worrisome. Ballistic missiles raise the prospect of the delivery of weapons of mass destruction into the heart of enemy territory. That possibility means not only great potential suffering; it only induces regional arms races.

That is why Canada has so strongly supported the recent expansion of the membership of the Missile Technology Control Regime. This Assembly should focus on this issue and call for all members to take measures to control the export of this technology. Canada will play a leading role in this effort.

Canada also believes that it is important to make arms transfers and procurement as transparent as is prudent and practical. Transparency builds confidence and is a recognition of the obligation we all have to the common interest. That is why Canada has strongly supported the work of the UN Group of Government Experts on Arms Transfer Transparency and why we support the widest possible voluntary reporting to the UN of military expenditures, procurement and arms transfers. I am pleased to announce that, this year for the first time, Canada will be

releasing an annual report on its exports of military goods.

There is, with arms, a demand side and a supply side. Measures can be taken to restrict supplies to stabilizing and prudent levels. But demand must also be addressed, and that is why a regional approach to confidence-building is relevant to this issue too.

Finally, Mr. President, Canada believes that more can be done to ensure that the UN's unique capacity to provide peacekeeping forces for regional conflicts remains effective and efficient. I am pleased that Canada was able to help breathe new life into the Special Committee on Peacekeeping Operations, which has now provided the UN with new proposals to improve present peacekeeping activities and to plan for new ventures. However, more work and even greater commitment will be needed to ensure that the UN is provided with the capacity and the resources to mount varied, speedy and successful peacekeeping operations be they in Cambodia, Central America, the Western Sahara or in the Persian Gulf.

In particular, Canada would support a United Nations effort to secure a clear indication from all member countries of the forces and equipment they could make available in future UN peacekeeping operations. We believe that effort could include an inventory of civilian resources. This might include police forces, communications and logistics personnel and elections experts and observers which could be utilized not only to keep the peace but to prepare for peace.

Mr. President, if there is one thing which recent events make clear it is that democracy and freedom are fundamental factors in building a co-operative security structure for your new era. In Central and Eastern Europe, in Latin America, in Asia and in parts of Africa, there is a new recognition that democracy is necessary because democracy works. This is not the victory of one ideology over another. It is the victory of common sense.

Democracy allows governments to gauge and reflect the needs of their society. Democracy allows individuals to express their views and exercise their abilities. Democracy and development go hand in hand since it is the open market which feeds prosperity and leads, almost always, to democracy.

Democracy limits the conflict which inevitably results from repression. Democracy is flexible. And because it is flexible, it does not snap. Democracy, at bottom, is the politics of pragmatism and the politics of security.

It is our belief in the role of democracy in building security which led Canada to propose a Democratic Development Unit for the Organization of American States. That proposal has been accepted. It is that same belief which has led Canada to put forward human rights proposals in the CSCE which will strengthen the rule of law and the rights of minorities throughout Europe. It is the same belief which has led Canada to contribute, bilaterally and through

the Commonwealth, to democratic dialogue and preparations for constitutional talks in South Africa. That is also why Canada applauds the OAS decision in July to endorse a new charter dealing with democracy and development, financially the Conference which produced that document. And that is why we also provided election assistance this year to Haiti, Bulgaria, Czechoslovakia, Namibia and Nicaragua.

Canada believes that there is a further role for this Organization in encouraging democratic development. Through supporting the co-operation of the various regional organizations in exchanging information and improving co-ordination, and through encouraging member states in their many recent efforts to strengthen democracy, this Assembly can act as a catalyst in re-enforcing both democracy and security.

Mr. President, as we move forward I believe there are several guidelines we can usefully adopt as we seek together to build a structure of co-operative security.

Guideline 1. Co-operative security is multidimensional. It is based on the recognition that there are many significant threats to our livelihood, our health, our development and our very existence.

Guideline 2. Co-operative security accepts that links exist between threats. It recognizes that few threats can be managed satisfactorily without also addressing others. That peace requires prosperity, that stability requires justice within and between states, that democracy development and disarmament are all related.

Guideline 3. Co-operative security is functional. It seeks to avoid blueprints and grand schemes and focuses on institutions and approaches which work and produce results.

Guideline 4. Co-operative security requires dialogue and compromise. It accepts the fundamental truth that conversation is almost always better than conflict and that conversation leading to compromise is the best way to solve problems.

Guideline 5. Co-operative security builds on the link between stability and change. It demands that we accept that order and predictability are not an alternative to change but rather its foundation, and that order in turn requires growth and flexibility if it is to endure.

Guideline 6. Co-operative security rejects blocs. Blocs perpetuate distrust. They build a tension between regions and groups which is no better than tension between states. They perpetuate a "them versus us" psychology, which may satisfy sentiment but does little to solve problems.

Guideline 7. Co-operative security rejects stale rhetoric and sterile ideology. It seems no advantage in stereotypes and much damage in the prejudice perpetuated by them. It rejects, as does Canada, such blemishes on this Organization as the odious Resolution equating Zionism with racism, passed 15 years ago by this Assembly.

Guideline 8. Co-operative security recognizes that true security is impossible without justice. It accepts that democracy within states is a force for stability and prosperity and that justice between states - whether through development assistance, debt relief or fairer and more open terms of trade - is a necessary component of a secure world.

Mr. President, today in Ottawa on Parliament Hill a statue was unveiled to Lester B. Pearson, a great Canadian leader and world statesman, a true friend of this Organization. Mr. Pearson was present at the creation of the UN. He helped build its Charter. He helped mould its mission. He played a central role in establishing the UN's great tradition of peacekeeping. There was no cause to which he was more committed than the construction of an effective United Nations system.

Out of the ashes of World War II and World War I before it, he sought to build a structure of co-operative security which would prevent Armageddon and build a world which was prosperous, free and just for all. Lester Pearson never saw the UN fulfill its intended purpose. His dream was dashed by yet another war - the Cold War.

That war is now over. The promise is renewed, and the dream is re-kindled. Yet the challenges remain more acute, more demanding than ever.

Let us do now what we have been unable to do before. Let us shake off our past failings, confront our present and in so doing build a new future. Let us behave as United Nations.

CAI
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STATEMENTS AND SPEECHES



DÉCLARATIONS ET DISCOURS

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Notes for a speech by
the Right Honourable Joe Clark,
Secretary of State for External Affairs,
at a meeting of the
Standing Senate Committee on National Finance

Ottawa, Ontario
January 14, 1991

Affaires extérieures et
Commerce extérieur Canada

External Affairs and
International Trade Canada

Canada

One hundred and sixty-six days ago, Saddam Hussein invaded Kuwait. He did so without justifiable provocation. He did so brutally and totally. That was when war began. Today Kuwait remains occupied. It has been plundered; more than half its population has been forced to flee; Amnesty International has documented shocking violations of human rights. Saddam Hussein has declared Kuwait to be irrevocably a part of Iraq. A sovereign member of the United Nations is being extinguished.

In these 166 days that have passed, the world community has expressed itself with unprecedented consensus and clarity. Twelve resolutions have been passed by the United Nations Security Council, most of them unanimously, condemning Iraq's actions, demanding that Iraq withdraw from Kuwait and imposing sanctions designed to force Iraqi compliance. On November 29, 47 days ago, the UN Security Council gave Saddam Hussein a period during which diplomacy could be given a further chance, a period during which Iraq might be convinced that the world was not bluffing, but a period with an end to it, after which the resort to force would be authorized. That resolution was clear. It stated that this time was designed to "allow Iraq one final opportunity, as a pause of goodwill."

And today, UN Secretary-General Javier Perez de Cuellar has returned from Iraq, disheartened, believing there is virtually no hope for a diplomatic solution to the crisis. European Foreign Ministers, acting on the Secretary-General's advice, have decided not to send a delegation to Baghdad.

During these past 47 days, diplomacy has been applied to a degree rarely seen before. Canada has been very active in that process. After Security Council Resolution 678, Iraq has every reason to know that the world is not bluffing. Iraq knows now -- if it did not know before -- of the force of opinion and the force of arms arrayed against it. But Iraq remains in Kuwait.

And so, we are at an impasse and approaching a turning point. Peace still has a chance. But where once peace might have been an expectation, it is now only a hope, and that hope grows dim, with every door Saddam Hussein slams shut.

So Canada, and the world, must face the fact that Iraq may force a conflict. There are no good wars. War is mankind's least noble invention. Everyone wants to avoid it. At this sombre moment, we owe it to Canadians to determine as best we can if the course we are embarked upon is correct, and if there are responsible realistic alternatives.

And so I want to outline to you today our assessment of what is at stake and just as importantly what is not. Let me deal briefly with what this crisis is not about.

This crisis is not about the defence of democracy. Kuwait has been a semi-feudal state, although it was moving towards democracy. But this is no argument for inaction. The principles of international law and the Charter of the United Nations are universal in their application. Protection against aggression can never be a privilege of those people lucky enough to live in democracies.

And this crisis is not about oil. Certainly, oil was a factor in Saddam Hussein's calculus of aggression. That aggression has had an impact on oil prices, positively devastating for developing countries and the new democracies of Eastern Europe. And, if Iraq withdraws from Kuwait, negotiations between those two countries over oil may follow. Finally, the prospect of 40 per cent of the world's oil being in the hands of Saddam Hussein could give comfort to no one. So oil is a factor but it is not a principle. The United Nations did not become so mobilized for the sake of a few cents a litre on the price of gasoline.

And -- to deal with that most durable Canadian myth -- this crisis is not about supporting Washington. This is Iraq versus the world. That is why the forces arrayed against Iraq are from Senegal and Bangladesh and Czechoslovakia and Argentina and Australia and Bulgaria and 22 other countries. That is why sanctions are being respected with such extraordinary determination. If this is not global consensus, what is? To say that all these countries -- East and West, North and South, Arab and non-Arab, Muslim and non-Muslim -- have arrived at their positions at the behest of Washington is to display a paranoia verging on the pathological.

So this crisis is not about oil, or defending democracy or dancing to tunes written elsewhere. What, then, is it about?

The principle at issue is simple and straightforward: the defence and construction of an international order where aggression is rejected. That principle has been at the heart of our policy from the beginning.

Forty-six years ago the nations of the world formed an organization -- the United Nations -- whose primary purpose was to be the maintenance of international peace and security. The designers of that organization were determined to prevent what they had just experienced -- two World Wars in barely two decades, conflicts of such dimensions and destruction that they resolved never to allow them to happen again. These men and women were not idealists. They were realists, worn by war, steeped in suffering. They had seen the futility of rules without a capacity to enforce them. They knew that as in societies everywhere, rules will only be obeyed if they are enforced and that if they are not enforced, rules become

meaningless and societies themselves cease to be peaceful for anyone. And so, with the sorry history of the League of Nations behind them, with the awful consequences of appeasement to guide them, they crafted a Charter which would give the world the right and the capacity to deter aggression and to reverse it, by force if necessary, when it occurred.

Those purposes permeate the provisions of the Charter of the United Nations. But those purposes went unfulfilled for decades because a new war intervened -- the Cold War -- a conflict which turned the UN into a mere shadow of its intended force. And so we had wars -- dozens of them -- which went undeterred and unpunished. Conflicts which flourished because the UN was frozen.

That Cold War is over. And with the end of that war, old excuses have disappeared and new opportunities have emerged. An opportunity now exists to make the United Nations united not simply in name but in fact.

That has been our accomplishment thus far. The Security Council of the United Nations has worked as its architects had intended. The Charter of the United Nations has been acted upon. The process of seeking adherence to resolutions has been followed.

And so, we are approaching the moment where our words may have to become deeds. It is a difficult moment. It would be easy now to back away, to act not as we have resolved but rather to retreat from our principles and our promises. After all, some say, it is only Kuwait, a small country. Or, some say, let us retreat part way and create a new deadline, perhaps months from now. Or, some say, let us go halfway and give Mr. Hussein some of what he says he wants. After all, some say, no principle, no law or Charter or United Nations are worth the risk of war.

These are troubling arguments because they appeal to our natural desire to avoid bloodshed and war. But to those who would have us appease, there are other troubling arguments, worrisome questions.

Of what value would the United Nations be if we now said we were not serious? After 12 resolutions -- clear and unequivocal -- do we say that, after all, we were just bluffing? Do we say to future aggressors that all they need do is hunker down and wait us out, that we are hollow in our principles and words? Does Canada, not a great power in the scheme of things, say that Kuwait, also not a great power, is expendable? Do we say there are rewards for the ruthless, prizes for the powerful? Do we attempt to justify a wrong by saying that we accepted wrongs in the past and did not act then? Do we say we can do no

better than we have done, that the future will be as the past, scarred by sacrifice, wedded to war?

If we as Canadians say these things, we are contemplating the destruction of the United Nations and the international order it now has the chance to build. If we as Canadians say these things, we are betraying the efforts of Louis Saint-Laurent, of Lester Pearson, men who had seen war, leaders and statesmen in times when 100,000 Canadians had died fighting wars which were undeterred, wars whose origins lay in the unwillingness of the world to enforce the rules which all claimed universal.

Perhaps some Canadians are more comfortable with a United Nations that talks, not a United Nations that acts. Perhaps some see it as a place for soapboxes and UNICEF (United Nations Children's Fund) boxes, not a place where the world comes together to take the hard decisions which peace requires.

It is said we have not waited long enough, that perhaps the message has not gotten through. Saddam Hussein has had 166 days to contemplate the consequences of his actions. Saddam Hussein knows what he is up against. Mr. Aziz said that in Geneva last week.

If we were to make January 15 a mobile date and extend it to February 15 this year or perhaps February 15 next year, by what form of logic could it be argued that Saddam would treat our resolve more seriously than he does now?

What about sanctions and giving them more time to work? That is an issue this Government has given serious consideration. There is no doubt that if the international consensus held, the Iraqi economy might be in ruins if we waited six months or a year. But that is not the end of the argument. There is every indication from the words and deeds of Saddam Hussein that thousands of Iraqis -- men and women and children -- and thousands of those Kuwaitis we seek to liberate, would be made to starve before Saddam would allow his army to suffer. In that regime of terror, we cannot rely on popular discontent to dissuade a dictator. And during a period of further delay, the plunder of Kuwait would continue, and we could find ourselves trying to free a society which has ceased to exist. Finally, in the tinderbox that is the Gulf and the Middle East, crisis and miscalculation and terror would threaten every day as the world waited for an outcome which was by no means assured.

Rather than delay, some say deal. Give Saddam what he wants now to get him out. Let him claim other victories to justify his aggression. But that would be a reward for aggression, an invitation to other conflicts, other tyrants. It would be absurd to give a bank robber the money he has stolen or

to take that money back and give him gold in return. Law and order would crumble if societies worked that way. It is no different internationally.

Canada, along with its friends and allies, has rejected any linkage that could be called a reward. Of course, there is a difference between a linkage and a consequence. And it has not prejudiced our purpose to offer Hussein assurances that we will not proceed beyond the terms set out by the United Nations.

So it is proper and reasonable to assure Saddam, as the Prime Minister has said, that he will not "be chased down the streets of Baghdad." It is proper and reasonable to assure Saddam that his grievances with Kuwait can be discussed in international fora which exist or could be created, the fora which he ignored in choosing aggression. It is proper to contemplate a peacekeeping force, a force which Canada would support and contribute to if asked.

And it is proper and reasonable to state, as the Security Council already has, that a conference dealing with the Arab-Israeli conflict is appropriate and necessary in the future. Canada has repeatedly stated -- long before Saddam invaded Kuwait and discovered the Palestinian issue as a scapegoat -- that a Middle East peace conference was welcome if properly structured, to facilitate negotiations between the parties directly concerned. Canada has always favoured a just, lasting and comprehensive peace settlement based on Resolutions 242 and 338. The invasion of Kuwait, together with the worrisome lack of progress towards a settlement, make peace in the Middle East more necessary than ever, if only to stop Hussein or others from using that excuse to legitimize oppression and sow discord. The consensus which exists today at the UN may allow us to address those urgent problems. If that consensus fails, and Iraq continues its occupation, those problems will be even more difficult to deal with than they are today.

That is not linkage. That is a consequence just as another consequence must be a concerted effort to manage the proliferation and accumulation of weapons throughout the Middle East region, weapons which helped give Hussein the confidence to invade.

I want to conclude by returning to the fundamental principle at issue here: the defence and construction of a durable structure of international order. That is not a foreign cause or a fake cause. That is a Canadian cause. That is a cause worth defending. We are not a great power. We cannot impose order or ignore it. We have no choice but to build it with others -- co-operatively.

And we require that order. We need a co-operative order in trade for our prosperity. We need a co-operative order in security since we cannot provide it ourselves on this huge territory in an age of nuclear weapons. Canadians need co-operative order because its absence would mean the power of the strongest always wins.

And to build that order, we must work with others. It is not an accident that Lester Pearson and others were so active in drafting the Charter of the United Nations and helping make it work. It is not an accident that Canada has been such a strong proponent of a reformed NATO, a new GATT (General Agreement on Tariffs and Trade), a strengthened CSCE (Conference on Security and Co-operation in Europe), an active Commonwealth, a more effective OAS (Organization of American States), a vital La Francophonie and an expanded structure of dialogue with the Asia-Pacific region.

And no other country in the world has been more active and persistent and generous in supporting the development of a United Nations system which works.

If the Persian Gulf situation is not resolved in the way the United Nations has demanded, if Saddam Hussein is allowed to keep the spoils of his conquest, then Canadians must accept a United Nations which will fail in the future, a United Nations which will be unable to deter or turn back future aggression, an organization seriously weakened in its ability to help develop countries or feed starving children or clean up the environment. The world has just begun to treat the United Nations seriously. This is not the time to stop.

In the Persian Gulf, the world has returned to the United Nations. It is not departing from the Charter. It is returning to it. And this is not contrary to peacekeeping. Peacekeeping was invented because the UN did not work, because the great powers did not want it to make peace, only to supervise truces. Those who invented peacekeeping -- Lester Pearson included -- lamented the inability of the world community to make peace. What the Gulf is about is returning to the principle that the best guarantee of peace is the guarantee that aggression will not be accepted.

The United States has returned to the United Nations. So too has the Soviet Union. And in so doing, national purposes have been modified, compromises have been made and consensus has been built. What possible incentive would any great power have in returning to that organization in the future, in making compromises, in seeking consensus, if now, after all this, one of the most naked acts of aggression in 50 years is allowed to succeed?

And what possible Canadian interests does it serve to have unilateral action rewarded -- whether by Saddam Hussein or other aggressors or others who would respond to aggression?

I do not want to overstate the case. If there is war in the Gulf, it will not be the war to end all wars. But I do not want to understate the case either. There will be no hope to deter aggression, no hope to reverse aggression, no hope to keep peace or to make it co-operatively, if the world fails the UN here.

On June 24, 1955, on the occasion of the 10th Anniversary of the United Nations, Lester Pearson went to San Francisco where the UN was founded and he made a speech. In that speech he noted the positive, though limited, accomplishments of the United Nations despite the constraints of the Cold War. But he stated the following:

"... the Charter has given us all, great or small, a set of standards of international conduct which it is our duty to follow. ... This week we renew, inwards, our determination to live up to those principles -- above all, to rid mankind of the scourge of war. But, if we are to succeed where all previous generations have failed, words alone will be of little avail. It is not enough merely to set up an efficient international organization and lay down an ideal code of conduct ... It is not enough to hoist the United Nations flag bearing the map of the world ... It is not enough to meet one another in the Assembly ... It is not enough to accumulate more knowledge about each other ... It is the ... application of high principles to individual and collective practice that matters."

Peace has a price. Order is not automatic. Security must be secured. Lester Pearson knew that.

There are, I believe, only two choices before us. The first is to defend our principles and in so doing serve our abiding interests in building an international order which works. The second choice is to avoid conflict at all costs and in so doing to secure a peace which is temporary, a peace which will not endure, a peace purchased at the price of rewarding war.

Let this generation and these United Nations make the right choice, a difficult choice, but one which future generations will respect, not ridicule.

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STATEMENTS
AND
SPEECHES



DÉCLARATIONS
ET
DISCOURS

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Notes for an address
in the House of Commons by
the Right Honourable Brian Mulroney,
Prime Minister of Canada,
on the situation in the Persian Gulf

Ottawa, Ontario
January 15, 1991

On August 2, Saddam Hussein launched a war against Kuwait. His invasion and subsequent annexation of Kuwait are grievous violations of the most basic principles of international law and of human decency. We are here, today, to reaffirm Canada's support for the United Nations' efforts to bring those violations to an end.

On October 23, the House approved sending members, vessels and aircraft of the Canadian Forces to participate in the multinational military effort in the Persian Gulf. On November 29, the House passed a further motion supporting "the United Nations in its efforts to ensure compliance with U.N. Security Council resolution 660 and subsequent resolutions", notably Resolution 678 co-sponsored by Canada and passed the same day at the United Nations. Resolution 678 gives Saddam Hussein "one final opportunity" to comply with the will of the world community, as expressed in successive U.N. resolutions.

The 47 day "pause for peace" provided for in Resolution 678 ends tonight. As I speak, efforts continue at the UN on a proposal that contains elements that are similar to ideas advanced in writing by Canada to the U.N. Secretary General last week.

Diplomacy has been and is still being given every chance. Following U.S. Secretary Baker's unsuccessful meeting with Iraqi Foreign Minister Aziz last week in Geneva, the Secretary General of the United Nations, Mr. Perez de Cuellar, made the second of two visits to the Middle East on this issue. His appeal to Saddam Hussein to leave Kuwait was callously rebuffed once again.

Mr. Perez de Cuellar told journalists yesterday that he saw "no reason to have any real hope". He has reported that Saddam Hussein "never mentioned...that he was prepared to withdraw from Kuwait." No one could have failed to notice Saddam Hussein's contempt for international opinion, international law and common decency.

United Nations Resolution 678 authorizes member states to use all necessary means to uphold and implement the relevant U.N. resolutions on this crisis and to restore international peace and security in the area. Resolution 678 -- approved by this House on November 29 -- also requests all member states including Canada to provide "appropriate support" for actions taken in pursuance of this goal.

The choice of peace or war remains Saddam Hussein's, as it has for the past five-and-a-half months, but time is running out on him. Regardless of how they cast their votes last November 29, Members on all sides of the House hoped hostilities would not be necessary. But it was clear to us all then that we might have to impose the ultimate sanction on Saddam Hussein -- military force -- if he did not withdraw his forces from Kuwait.

The U.N. made the threat of the use of force to persuade Saddam Hussein of the seriousness of its determination to see him out of Kuwait. It was not an empty gesture. The question before Canadians now is a simple one: if Saddam Hussein does not withdraw peacefully from Kuwait, and the use of force is required, where will Canada stand? On this simple question of right and wrong, will we continue to support the international coalition or will we stand aside and hope that others will uphold the

rule of law? There are differences of opinion on this very important question in this House. I respect the views of all members as they consider it.

The Government of Canada, and I as Prime Minister, have reflected carefully on this crisis. Our entire policy has been designed to achieve a peaceful solution to it. If, however, Saddam Hussein continues to reject the will of the United Nations, Canada will join with the United Nations in expelling him from Kuwait by force.

Kuwait may seem a remote place geographically, and culturally, but so did Manchuria in 1931, Abyssinia in 1935 and Czechoslovakia in 1938. While, in the '30s, these were little known places, in the '90s they figure in our history books as the stepping stones to World War II. In each case what has been described by a leading historian as "a profound pacifism, an almost doctrinaire insistence on peace regardless of the circumstances," led the League of Nations to turn a blind eye to aggression -- and the world paid a price in millions of avoidable deaths in World War II.

What is happening in Kuwait has direct and substantial effects on Canada's interests. As a country with a comparatively small population, with two superpowers as neighbours, and with our own limited military capacity, Canada's most basic interest lies in the preservation of international law and order.

The United Nations and its Charter are essential to the rule of law and to the respect of the integrity of small countries by larger neighbours. The architects of the United Nations were determined "to make certain", as Lester Pearson wrote in 1945, "that never again should an aggressor be permitted to strike down one nation after another before the peace-loving nations of the world organize and take concerted action against it."

The fundamental purpose of the United Nations, as proclaimed in Article 1 of its Charter, is "to maintain international peace and security" by taking "effective, collective measures for the prevention and removal of threats to the peace and for the suppression of acts of aggression or other breaches of the peace..." But with the exception of Korea, the U.N. has been prevented by the Cold War from either suppressing acts of aggression or preventing them, as the Suez crisis, Vietnam, Afghanistan and the Arab-Israeli wars, among dozens of other conflicts, make clear. With the extraordinary unanimity that has accompanied the relaxation of East-West tensions, the authority vested in the U.N. by its architects -- including Prime Ministers King, St. Laurent and Pearson -- can be exercised by our generation to preserve international law and order.

Saddam Hussein's challenge raises the stakes for the U.N. Because, while this crisis provides an opportunity for the U.N. to play the role Canada has always wanted it to play, regrettably it also provides an occasion for the U.N. to fail to do so. And if the U.N. were to fail to do so, a large part of the principles and objectives and efforts of 45 years of Canadian diplomacy would have been for nothing.

Our generation, having ignored the lessons of history, could be condemned to re-live some of history's darkest chapters. Saddam Hussein would become an example for other potential bullies, making the world an even more dangerous place than it is already. Nations would be left alone to defend themselves against aggression and a new arms race would be launched. The U.N. -- designed to prevent a return to the rule of the jungle -- could go the way of the League of Nations. And this at a time when international problems -- from the environment to human rights to debt to development to drugs to the protection of children -- can only be resolved collectively, and when a credible, effective U.N. has never been more necessary.

These are not abstract issues to Canada. They are not someone else's business. They are direct, vital Canadian interests, and they are engaged fully in this question. The U.N. cannot be allowed to fail at this critical moment in history. Some argue that Canada should hold itself back now to play a peacekeeping role later.

Were Saddam Hussein to succeed in his annexation of Kuwait, he would be in a position to threaten the entire Middle East. With the time and wealth he would gain, he could add further weapons of mass destruction to his arsenal, including, in all probability, nuclear weapons. What position would this put his neighbours in? After Iran and Kuwait, who would be his next target? Saudi Arabia? Jordan? Would we hold ourselves back again, waiting for the latest atrocities to end so that Canada might then be invited in as part of a peacekeeping force?

Saddam Hussein has threatened to attack Israel with weapons of mass destruction. In the face of extraordinary provocation from Iraq, as evidenced by Foreign Minister Aziz's deplorably aggressive threat last week in Geneva, Israel has demonstrated remarkable restraint. Should Saddam Hussein move against Israel, would we still hold ourselves back in the hope that we would be called in later to help keep what's left of the peace in what's left of the Middle East? This course is a prescription for neither wisdom nor responsibility.

It is also argued that a peacekeeping role would be more in keeping with Canada's traditions. But there is no reason to believe that a peace-making role now disqualifies Canada for a peace-keeping role later. Participation in the Korean War did not prevent then External Affairs Minister Pearson from helping to create the U.N.'s peace-keeping function. Membership in NATO and NORAD has not prevented us from participating in every U.N. peace-keeping operation but one since the beginning of the international organization. And supporting right over wrong in the Persian Gulf does not preclude a peace-keeping role for Canada there following hostilities.

Like all Canadians, we are justifiably proud of Canada's peace-keeping tradition. But peacekeeping is only one part of Canada's traditions. Standing firm for what we believe in and fighting if necessary is also a Canadian tradition, one that we remember most solemnly every November 11. More than 1,700,000 Canadians participated in World War I and II and Korea. One-hundred-thousand graves in Europe

and Asia bear silent but eloquent testimony to the courage and will of Canadians to stand for what we believe is right.

A terrible wrong is being committed by Saddam Hussein and it is the moral duty of the international community to stop him. His motives in attacking Kuwait were self-aggrandizement and greed. To confuse international opinion, he has attempted to link the Persian Gulf crisis with the Palestinian issue. No one believes he invaded Kuwait to help the Palestinians. Everyone can see he is trying to rationalize his invasion of Kuwait, after the fact, and to undermine the multinational coalition facing him. His attempt to portray the occupation of Kuwait -- and the atrocities and murders he perpetrated on other Arabs -- as somehow advancing legitimate Palestinian interests and concerns is both beyond understanding and beneath contempt.

Since we last debated this crisis in November, we have received the Amnesty International report detailing the extent of murders, rapes and brutalization in Kuwait. Torture and executions of non-combatants, including young children, have been wide-spread. Thousands of people have been subjected arbitrarily to arrest and detention. And hundreds of thousands of people have been forcibly evicted from Kuwait.

A systematic effort is being ruthlessly carried out to erase the identity of a nation. Notwithstanding these atrocities, some still make the argument that economic sanctions should be given more time to work. However, the most fundamental question we must ask ourselves is will sanctions alone work? The sanctions and the naval and air blockades have succeeded in stopping a great deal of Iraq's foreign trade. They are unquestionably having an impact on economic conditions and living standards within Iraq. And Iraqi oil production is down substantially. At the same time, there is clearly leakage of foodstuffs and components through the embargo.

How much time would it take for sanctions to work? Six months? -- 16 months? -- 60 months? No one knows. The essential point is that Saddam Hussein has demonstrated limitless tolerance for the suffering of his own people. This is a man who put his nation through eight pointless years of a war that took almost a million lives. So pointless, in fact, that in August he gave back almost everything he had taken from Iran in order to purchase Iranian neutrality in this conflict.

While industrial production is down substantially because of shortages of imported goods, Saddam Hussein will ensure that the Iraqi armed forces are guaranteed the top priority for key commodities. He will not hesitate to pass on any amount of suffering and deprivation to his countrymen. Their well-being and security is clearly the furthest thing from his mind. And there is no evidence that sanctions have caused a groundswell of public discontent.

In fact, there is no reason to believe that the sanctions are having the desired effect -- to persuade Saddam Hussein to remove his forces from Kuwait. And, there is every reason to believe, based on his own statements and behaviour, that he is

determined to stay. He shows every sign of trying to out-wait the international community in the hope that events sooner or later will split the United Nations coalition. And given the volatility of world affairs, especially in the Middle East, his gamble might very well work.

In weighing the arguments in favour of using force, it must be conceded that the risks and costs of a war are literally incalculable but that they would certainly be substantial in lives and resources. How risky and how costly would depend on a number of factors. How long would war last? How strongly would the Iraqi forces and the Iraqi people resist? Could war be limited to the Iraq-Kuwait theatre or would it spread? How much damage would the environment sustain? These are fundamentally important questions and unfortunately there are no firm answers to them at this time.

But while we properly concern ourselves with these questions, we must also guard against the tendency to regard waiting as cost-free. The fact is that there would also be incalculable risks and costs to waiting. The destruction of Kuwait continues. An entire nation is being systematically dismantled and destroyed before our very eyes and human rights abuses continue at a pace and on a scale with few precedents in modern times.

Furthermore, the international economy is being damaged, and the poorest people in the Third World are most affected. The funds that are paying for a massive military presence in the Gulf are not available to the fledgling democracies of Eastern Europe, with potentially critical consequences for their futures. And all the while we wait for sanctions to work, the Iraqi defences become increasingly formidable. If it requires hostilities to get Saddam Hussein out of Kuwait, the costs in terms of casualties among the coalition partners, including Canada, probably increase with every day and week that pass.

So while a war is certain to be very costly, waiting to see if sanctions will work is far from cost-free. And, if sanctions failed, there is no guarantee that the coalition would still be united and able to fight even 16 months down the road, let alone 60. Were Saddam Hussein to succeed, the costs to Canadian interests -- the discrediting of the U.N., the distortion of international order, the trampling of human rights and the impact on the world economy -- would be unacceptable. For all these reasons, the government believes that Canada should continue to support the U.N. in taking all possible measures to cause Iraq to withdraw from Kuwait.

Some allege that the government is simply following the lead of the U.S. Administration on this issue. This is perhaps the most tired and threadbare accusation of all. Because, as Prime Minister Pearson wrote derisively in his memoirs, "a sure way to get applause and support at home is to exploit [Canadians'] anxieties and exaggerate [their] suspicions over U.S. power and policies."

It should not be surprising or offensive that the views of free nations often coincide. In fact, in this case the views of all of the leading western nations, -- led by

governments of very different political stripes -- including the United Kingdom, Italy, Australia, France, the United States and Canada are in harmony. And why not? We all share the values of liberty and democracy and equality before the law. Our institutions all draw their validity from the free expression of the wills of our peoples. And in foreign affairs, we all stand for the respect of international law.

And it is not surprising that in light of the stakes on this issue these democracies all back the U.N. strongly. Canada worked hard to persuade the United States to work within the United Nations and to forego unilateral action. The international coalition knows it must now be prepared to stand up for what is right.

Prime Minister Bob Hawke of Australia, the leader of the Labour Party in his country, in weighing the same considerations we are weighing, told his Parliament on December 4 that "if conflict occurs of a kind which is contemplated and authorized by the [U.N.] resolution, [Australian] ships will be available to participate in action with the allied fleet..." François Mitterand, President of France and leader of his country's Socialist Party, has made clear his country's position when he said that "...France considers a complete withdrawal from Kuwait to be an inviolable principle. Moreover, (France) holds that the January 15th deadline cannot be postponed or extended for any reason whatsoever... If the conditions that have been set are not fulfilled, then France will be doing its duty." In the United Kingdom, Prime Minister Major has been equally clear and consistent on this point.

And Neil Kinnock, the Leader of the Opposition in the U.K., said last week that the Labour Party "will not, in the interests of distancing ourselves from the government, distance ourselves from our forces or from the United Nations." And we know now that both chambers of the U.S. Congress as well have voted to support the U.S. Administration in the implementation of U.N. Resolution 678 -- to get Saddam Hussein's forces out of Kuwait.

Canada's policy from the beginning has been a two track policy -- working for peace but preparing for hostilities, if diplomacy failed. In fact, the record will show that from the day Iraq invaded Kuwait, we have carried on extensive diplomacy designed to find a peaceful solution to this crisis. We have consulted widely in the region, and elsewhere, promoted the importance of the U.N. as the instrument of the world's response, urged a prompt withdrawal by Iraq and counselled prudence on our allies. A full outline of all of our principal efforts since last August will be set out by Mr. Clark, the Secretary of State for External Affairs, when he speaks in the debate later today.

I am satisfied that we have done everything possible to promote a peaceful outcome to this crisis. No one wants a war, least of all those to whom it falls to fight. I am sure that I speak for every member of this House and for all Canadians in expressing my admiration for the dedication and professionalism of the Canadian servicemen and women in the Persian Gulf. And I am sure, whatever our policy views, we in this House will be unanimous in supporting these outstanding and courageous men and women. They are there in the defence of the values and interests of all Canadians

and they deserve the country's gratitude and support. Both they and their families have our prayers for a safe return.

If war comes, Canadians will be at risk. Saddam Hussein has openly and blatantly threatened to use weapons of mass destruction in the region and to sponsor terrorist activity abroad as well. We have, therefore, advised Canadians that they should defer travel to the region and, if they are already there, to consider leaving now.

CSIS and the RCMP have increased their levels of alert. On this point, I want to reassure Iraqi-Canadians that they will not be subject in any way to illegal surveillance or unwarranted detention, as was the case in regard to other citizens during World War II. That lesson fortunately has been learned.

The House has been recalled today, in these serious circumstances, to permit members to express themselves on the Gulf crisis in the full knowledge of the facts and of the government's position on them. We are asking that the opposition join in re-affirming Canadian support of the U.N. in securing the withdrawal of Iraq from Kuwait. This procedure is consistent with our tradition in the past.

In 1939, the Leader of the Opposition, stated in this House for example that "We are going through a very grave crisis," ... he said, "It is no exaggeration to say that this is a war for the preservation of human liberty." "So far as my party is concerned... there will not be... anything in the way of political manoeuvring or captious criticism."

And, in June 1950, the Honourable Stanley Knowles, speaking on behalf of his party on the Korean crisis, pledged his party's "complete support of the principle of collective security, and [their] readiness to carry [their] support of that principle into all it may involve." Mr. Knowles went on to say that "the government has the concurrence of all the groups in this house in its readiness to support the action taken by the United Nations. "That is clearly our obligation, and that way alone lies hope. If we can deal with this present crisis on that basis and demonstrate the effectiveness of collective action for peace we may yet achieve much more in that direction than at times we have dared to hope."

As it was in 1950, so it still is in 1991. The Government is acutely conscious of the gravity of the situation. Canada is a peaceful country. Canada Day is an occasion for family gatherings and friendship not for bombast and military parades. Canada is a country that stands for decency and peace but we are also a country that stands for principles -- respect for the law, freedom and human dignity.

The fundamental truth in this debate is that if we want peace we must defend these principles which are enshrined in the U.N. Charter. We must be prepared to stand up for what's right. To do otherwise is to signal to Saddam Hussein and to other potential aggressors that the U.N. is incapable of responding effectively to aggression. No moral superiority accrues to those who stand on the sidelines and let

others defend their principles. Canada is a peaceful country -- but Canada is not a neutral country, nor a country that expects a free ride.

Most members of this House, including me, are too young to have had personal involvement in war. We know, however, the devastation that war has brought to too many nations around the world and the sorrow it has brought, in the past, to too many families in our own country. As a result, the avoidance of war has been the principal thrust of Canadian foreign policy.

Over the decades, Canada has made contributions to the cause of peace that have been substantial and effective. But we have always known that peace comes to those who are willing to defend it. Indeed, it is because our parents and theirs courageously resisted aggression in places, far away, that we, today, are members of this democratic Parliament in a free and independent country.

I believe we honour that heritage and respect noble Canadian traditions of valour today by standing firm in support of the United Nations and in helping to suppress aggression against an innocent member state.

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STATEMENTS AND SPEECHES



DÉCLARATIONS ET DISCOURS

91/3



Notes for a speech
in the House of Commons by
the Right Honourable Joe Clark,
Secretary of State for External Affairs,
on the situation in the Persian Gulf

Ottawa, Ontario
January 15, 1991

Affaires extérieures et
Commerce extérieur Canada

External Affairs and
International Trade Canada

Canada

I want to congratulate the leader of the New Democratic Party on the serious and thoughtful nature of her remarks. She clearly was attempting to be constructive, and set forth, in some very general terms, other options which she thinks should be explored.

She made the point that this is an extraordinary time. It is, and that requires all of us to do everything we can to bring forward the best practical advice we can.

The Honourable Member and I may argue about what "realism" means, but I think she would agree that the Government, and the world, require much more precision as to other options than she was able to provide today and we look forward to receiving that later.

The new Leader of the Opposition made essentially four points.

He wants to wait for sanctions to have an effect, yet he gives this House no idea as to how long he proposes to wait; and he gives this House not one iota of evidence that the sanctions program we have mounted will affect Iraqi political leadership or military capacity. I want to return to the question of sanctions, but hope that other spokespersons of the Liberal Party will be far more precise in indicating exactly how long they want to wait.

Second, he pretends that the use of force in the Gulf would not have the authority of the United Nations. That is absolutely false. Resolution 678, Articles 2 and 3 "authorizes Member States co-operating with the Government of Kuwait, unless Iraq on or before 15 January 1991 fully implements, as set forth in paragraph 1 above, the foregoing resolutions, to use all necessary means to uphold and implement resolutions 660 (1990) and all subsequent relevant resolutions and to restore international peace and security in the area; requests all States to provide appropriate support for the actions undertaken in pursuance of paragraph 2 of the present resolution."

Third, he proposes to "call back" Canadian troops.

And fourth, he makes the curious and alarming argument that because the United Nations failed in Tibet, failed in Cyprus and failed elsewhere, we should not help the United Nations succeed in Kuwait.

Mr. Speaker, 167 days ago, Saddam Hussein invaded Kuwait. He did so without justifiable provocation. He did so brutally and totally. That was when war began. Today Kuwait remains occupied. It has been plundered; more than half its population has been forced to flee; Amnesty International has

documented shocking violations of human rights. Saddam Hussein has declared Kuwait to be irrevocably a part of Iraq. A sovereign member of the United Nations is being extinguished.

In these 167 days that have passed, the world community has expressed itself with unprecedented consensus and clarity. Twelve resolutions have been passed by the United Nations Security Council, most of them unanimously, condemning Iraq's actions, demanding that Iraq withdraw from Kuwait and imposing sanctions designed to force Iraqi compliance. On November 29, 48 days ago, the UN Security Council gave Saddam Hussein a period during which diplomacy could be given a further chance, a period during which Iraq might be convinced that the world was not bluffing, but a period with an end to it, after which the resort to force would be authorized if necessary. That resolution was clear. It stated that this time was designed to "allow Iraq one final opportunity, as a pause of goodwill."

And yesterday, UN Secretary-General Javier Perez de Cuellar returned from Iraq, disheartened, believing there is virtually no hope for a diplomatic solution to the crisis. European Foreign Ministers, acting on the Secretary-General's advice, decided not to send a delegation to Baghdad.

After Security Council Resolution 678 Iraq has had every reason to know that the world is not bluffing. But Iraq remains in Kuwait.

During these past 48 days, diplomacy has been applied to a degree rarely seen before. The Prime Minister and I have indicated that we wish to describe to this House some of the activities undertaken by Canada during this crisis. I cannot recite them all, for the list is too long and some of them are still under way. But I want to indicate some of the activities this country has been engaged in on behalf of peace.

First, on a bilateral basis, perhaps in one of the most important actions taken in this crisis, the Prime Minister went to Kennebunkport for a meeting with President Bush, a meeting scheduled before Iraq invaded Kuwait. There were senior and respected advisors then counselling the President of the United States to engage in a surgical strike. The Prime Minister told him, on behalf of Canada, that that kind of policy would not be acceptable to this country and should not be followed by the United States. There was no surgical strike. That gave the world an opportunity to pursue diplomacy and a peaceful solution to this crisis.

That was one of several instances when we were able to use the bilateral relationship we have with the United States, a relationship some mock, but a relationship which is an opportunity for substantial influence on a superpower. In this

case, we have used that relationship to encourage the United States to work with the world in trying to resolve this problem.

Second, at the United Nations we have been extremely active from the beginning. Here, when the crisis began, there was a strong inclination on the part of the United States to go it alone, not to operate under the aegis of the UN. Again, Canada said that was wrong, that this crisis was to be handled effectively and with authority, it must be done under the umbrella and with the authority of the United Nations. Others counselled a similar approach. And in the end, the United States took the decision to operate within the UN context. That is why the debate today is not about what one nation might do but about whether this country will support the United Nations in what it has decided to do.

We have also, of course, been extraordinarily active on the floor of the United Nations and in the co-sponsorship of Security Council resolutions, and, more importantly, in drafting those resolutions; in finding ways in which they, and other resolutions could be acceptable to all.

Third, Canada undertook, because of our value as an industrial power with connections to the Third World, a series of initiatives based on the view that Saddam Hussein, if he would listen to anyone, might well be more prepared to listen to other Third World leaders than he would be to listen to the leaders of the developed world.

The Prime Minister met with Mr. Perez de Cuellar in New York when he was there to co-chair the Children's Summit. He then made a proposal based upon the reality that the principal victims of this invasion are not exclusively in Kuwait. They are also the poor of the Third World. They are the poor of Zimbabwe, of Bangladesh, and of other countries who depend more than we do upon secure and relatively cheap supplies of oil. Many of these people are Muslims. Many of these people are people whose cause should appeal directly to Saddam Hussein.

But we understood that those countries themselves could make that case better than we. Our Prime Minister met with President Diouf of Senegal, who is not only the President of the Organization of African Unity, but also the incoming President of the Islamic Conference and the President of La Francophonie. President Diouf, at the behest of Canada, and with some help from Canada, convened meetings of other leaders of the Third World and a mission planned to Iraq. It was in Paris en route to Baghdad to try to make that kind of appeal when Saddam Hussein called and said he would prefer to have that mission deferred, delayed until after the visit of James Baker -- the visit that Saddam Hussein did not allow to happen.

Canada didn't leave it there. President Traoré of Mali was the co-President with Canada of the Children's Summit. After conversations between the Prime Minister of Canada and President Traoré, his Foreign Minister went to Baghdad, tried to see if there could be movement, came back and reported to my colleague, the Associate Minister of National Defence, who was here over Christmas, and senior officials, to see if there was some movement. And, in many other ways, we have been active through the Commonwealth, La Francophonie and other connections in the Third World because we recognized that we had to do everything possible to try to persuade Saddam Hussein to understand how serious this issue was and how serious the resolve of the world is.

Fourth, in terms of peacekeeping, it may be that there will be a need for some peacekeeping presence if we are able to secure a withdrawal of the Iraqi forces. It would be better if that were largely Arab, but clearly there would also be a need for the kind of expertise that Canada is uniquely qualified to provide. That was raised with us by Egyptian leaders; was discussed by my colleague, the Associate Minister, when she was in the region; it was part of the offer made to the United Nations by the Prime Minister in the letter that I delivered the other night.

Fifth, on the question of an Arab solution, which many were seeking during much of the crisis, because they thought that other solutions may not work, Canada adopted an aggressive approach to try to encourage Arab leaders to work, and to work together. That included, in our view, trying to overcome, as a practical matter, the difference that existed between King Hussein of Jordan and other Arab leaders because Hussein and Jordan are of fundamental importance in the region. It would be better if we had those nations working together rather than at cross-purposes.

That involved a number of conversations -- contacts between the Prime Minister and the King, the Prime Minister and President Mubarak, and a number of others. But it also involved the visit I was able to make to the region, and the long conversation with King Hussein during which we discussed explicitly and at length, the question of the hostages and whether it made any sense at all for Saddam Hussein to continue to keep the hostages. I made the case to King Hussein that the taking of hostages made no sense. King Hussein told me that he intended to go again to Baghdad. After that trip, as a result of proposals from him, from Yasser Arafat, and from others, Saddam Hussein made the decision to let all the hostages go.

Sixth, in terms of consultations, we are in regular daily contact with Foreign Ministers and Heads of Government of a range of other countries, 50 or 60, not just the coalition

partners, but others who might have some influence. The Prime Minister, in particular, is in regular contact with President Mubarak; with King Hussein; with President Bush; with Prime Minister Major; with President Mitterrand; with President Gorbachev. In his conversations two days ago with President Mitterrand, there was discussion of the proposals we had put forward to the Secretary-General, proposals that were not then public, and Mitterrand indicated at that time that there was a great deal of similarity in the thinking and the analysis of the French and the Canadian governments.

Those activities, of course, continue, as was indicated during Question Period, as we try to find if there are ways in the hours that remain in this pause for peace that was established to try to encourage Saddam Hussein to respond to someone.

Those things have been done. They have been done by Canada. And they have been done by other countries. There has been an extraordinary attempt to solve this diplomatically.

But today, January 15, we are at an impasse and approaching a turning point. Peace still has a chance. But where once peace might have been an expectation, it is now only a hope, and that hope grows dim with every door Saddam Hussein slams shut, with every hour that passes.

So Canada, and the world, must face the fact that Iraq may force a conflict. There are no good wars. War is mankind's least noble invention. Everyone wants to avoid it. At this sombre moment, we owe it to Canadians to determine as best we can if the course we are embarked upon is correct, and if there are responsible realistic alternatives -- not waiting, not running away, but real alternatives. There have been wars in the past where patriotism has overshadowed logic, where pride has prevented peace, where emotion has overcome reason. We must be as confident as we can be that if this comes to war, it is not one of those wars.

Forty-six years ago the nations of the world formed an organization -- the United Nations -- whose primary purpose was to be the maintenance of international peace and security. The men and women who designed that organization were not idealists. They were realists, worn by war, steeped in suffering. They had seen the futility of rules without a capacity to enforce them. They knew that as in societies everywhere, rules will only be obeyed if they are enforced and that if they are not enforced, rules become meaningless and societies themselves cease to be peaceful for anyone. And so, with the sorry history of the League of Nations behind them, with the awful consequences of appeasement to guide them, they crafted a Charter which would

give the world the right and the capacity to deter aggression and to reverse it, by force if necessary, when it occurred.

Those purposes permeate the provisions of the Charter of the United Nations. But those purposes went unfulfilled for decades because a new war intervened -- the Cold War -- a conflict which turned the UN into a mere shadow of its intended force. And so we had wars -- dozens of them -- conflicts which flourished because the UN was frozen.

With the easing of East-West tensions, old excuses have disappeared and new opportunities have emerged. An opportunity now exists to make the United Nations united not simply in name but in fact.

That has been our accomplishment so far in the response to this crisis. The Security Council of the United Nations has worked as its architects had intended. The Charter of the United Nations has been acted upon. The process of seeking adherence to resolutions has been followed.

And so, we are approaching the moment where our words may have to become deeds. It is a difficult moment. It might be easier now to back away, to act not as we have resolved but rather to retreat from our principles and our promises.

To those who would have us back away, there are troubling arguments, worrisome questions.

Of what value would the United Nations be if we now said we were not serious? After 12 resolutions -- clear and unequivocal -- do we say that, after all, we were just bluffing? Do we say to future aggressors that all they need do is hunker down and wait us out, that we are hollow in our principles and words? Does Canada, not a great power in the scheme of things, say that Kuwait, also not a great power, is expendable? Do we say there are rewards for the ruthless, prizes for the powerful? Do we attempt to justify a wrong by saying that we accepted wrongs in the past and did not act then? Do we say we can do no better than we have done, that the future will be as the past, scarred by sacrifice, wedded to war?

If we as Canadians say these things, we are contemplating the destruction of the United Nations and the international order it now has the chance to build. If we as Canadians say these things, we are betraying the efforts of Louis Saint-Laurent, of Lester Pearson, men who had seen war, leaders and statesmen in times when 100,000 Canadians had died fighting wars which were undeterred, wars whose origins lay in the unwillingness of the world to enforce the rules which all claimed universal.

Perhaps some Canadians are more comfortable with a United Nations that talks, not a United Nations that acts. Perhaps some see it as a place for soapboxes and UNICEF (United Nations Children's Fund) boxes, not a place where the world comes together to take the hard decisions which peace requires. Perhaps they see it as a place for people with concerns, not convictions.

Mr. Speaker, it is said we have not waited long enough, that perhaps the message has not gotten through. Saddam Hussein has had 167 days to contemplate the consequences of his actions. Saddam Hussein knows what he is up against. Mr. Aziz said that in Geneva last week.

If we were to make January 15 a mobile date and extend it to February 15 this year or perhaps February 15 next year, by what form of logic could it be argued that Saddam would treat the resolve of the United Nations more seriously than he does now?

What about sanctions and giving them more time to work? That is an issue this Government has given serious consideration. There is no doubt that if the international consensus held, the Iraqi economy might be seriously weakened if we waited six months or a year. But that is not the end of the argument. There is no guarantee whatsoever that economic weakness would get Saddam out of Kuwait. There is every indication from the words and deeds of Saddam Hussein that thousands of Iraqis -- men and women and children -- and thousands of those Kuwaitis we seek to liberate, would be made to starve before Saddam would allow his army to suffer. In that regime of terror, we cannot rely on popular discontent to dissuade a dictator. And during a period of further delay, the plunder of Kuwait would continue, and we could find ourselves trying to free a society which has ceased to exist.

Mr. Speaker, there is a notion out there that the choice is between a peaceful present -- the status quo -- and a terrible war. That is a dangerous, misleading illusion. There is no peaceful status quo. The Gulf region today -- the entire Middle East -- is incendiary, a time bomb of conflict, extremism and terror. The assassination in Tunis yesterday of Abu Iyad and Abu Al-Hol is an example, as was the terrible violence which occurred at the mosque in East Jerusalem in October, the bombings which led to the death of pilgrims at Mecca in 1987 and 1989, the riots which rocked Jordan in mid-1989 and the civil war in Lebanon. These can become fuses for frightening carnage and chaos. That tension is immeasurably more acute because of Iraq's aggression. As long as Iraq remains in Kuwait, the time bomb ticks and the world is playing Russian roulette with its own future.

And outside that region, devastation and deprivation would continue and accelerate if the world delayed. I am not talking about developed countries like Canada. I am talking about developing countries whose very existence as functioning societies is at stake. Terrible poverty is being made more and more unbearable. Governments in Africa are going broke, lurching towards disintegration. Inflation rates are doubling and tripling, deficits are ballooning, basic human needs are not being met. Governments in Africa have asked Canada if they can convert money meant for education to funds they can use to buy basic goods. Their development as civilized societies is in jeopardy. And in Eastern Europe, the dramatic escalation in oil prices has become the singular reason why the progress they have made thus far -- and the progress that must be made in the future -- is in jeopardy. Czechoslovakian Finance Minister Klaus told me in November that this crisis had gutted their economic reform plan and cost his country billions. Saddam Hussein does not simply destabilize the Gulf. He destabilizes Eastern Europe and Africa and Asia and Latin America.

Rather than delay, some say deal. Let Saddam claim other victories to justify his aggression. But that would be a reward for aggression, an invitation to other conflicts, other tyrants. It would be absurd to give a bank robber the money he has stolen or to take that money back and give him gold in return. Law and order would crumble if societies worked that way. It is no different internationally.

At this very moment, plans proposed by France and others are being discussed in New York. Although there are important details to clarify, those plans have positive elements. They are very similar to a proposal put by the Prime Minister to the Secretary-General before he went to Baghdad. That proposal -- a Canadian proposal -- included the following elements:

- an international guarantee of all borders in the Gulf area from attack;
- the initiation of a process to settle Iraq's differences with Kuwait;
- the departure from Saudi Arabia of all forces from outside the region and the creation of a peacekeeping force drawn primarily from the Arab States;
- a firm commitment in principle to a process to resolve other issues in the Middle East.

Those provisions are at the centre of the proposals now being discussed. What is missing now -- what has always been

missing -- is the trigger that would set all this in motion: an Iraqi commitment to, and total withdrawal from, Kuwait. Where is Iraq's response?

Mr. Speaker, we are told there are other ways to get Saddam out. This Government and the world -- for 167 days -- has been trying to find a way to get him out without conflict. If anyone in this House has a plausible plan -- not a dream but a plan -- then this Government and Canadians need to hear it today.

I want to conclude by returning to the fundamental principle at issue here: the defence and construction of a durable structure of international order. That is not a foreign cause or a fake cause. That is a Canadian cause. That is a cause worth defending. We are not a great power. We cannot impose order or ignore it. We have no choice but to build it with others -- co-operatively.

And we require that order. We need a co-operative order in trade for our prosperity. We need a co-operative order in security since we cannot provide it ourselves on this huge territory in an age of nuclear weapons. Canadians need co-operative order because its absence would mean the power of the strongest always wins.

And to build that order, we must work with others. It is not an accident that Lester Pearson and others were so active in drafting the Charter of the United Nations and helping make it work. It is not an accident that Canada has been such a strong proponent of a reformed NATO, a new GATT (General Agreement on Tariffs and Trade), a strengthened CSCE (Conference on Security and Co-operation in Europe), an active Commonwealth, a more effective OAS (Organization of American States), a vital La Francophonie and an expanded structure of dialogue with the Asia-Pacific region.

And, Mr. Speaker, no other country in the world has been more active and persistent and generous in supporting the development of a United Nations system which works.

If the Persian Gulf situation is not resolved in the way the United Nations has demanded, if Saddam Hussein is allowed to keep the spoils of his conquest, then Canadians must accept a United Nations which will fail in the future, a United Nations which will be unable to deter or turn back future aggression, an organization seriously weakened in its ability to help develop countries or feed starving children or clean up the environment. The world has just begun to treat the United Nations seriously. This is not the time to stop.

In the Persian Gulf, the world has returned to the United Nations. It is not departing from the Charter. It is

returning to it. And this is not contrary to peacekeeping. Peacekeeping was invented because the UN did not work, because the great powers did not want it to make peace, only to supervise truces. Those who invented peacekeeping -- Lester Pearson included -- lamented the inability of the world community to make peace. What the Gulf is about is returning to the principle that the best guarantee of peace is the guarantee that aggression will not be accepted.

The United States has returned to the United Nations. So have others. And in so doing, national purposes have been modified, compromises have been made and consensus has been built. What possible incentive would any great power have in returning to that organization in the future, in making compromises, in seeking consensus, if now, after all this, one of the most naked acts of aggression in 50 years is allowed to succeed? And what possible Canadian interests does it serve to have unilateral action rewarded -- whether by Saddam Hussein or other aggressors or others who would respond to aggression?

I do not want to overstate the case. If there is war in the Gulf, it will not be the war to end all wars. But I do not want to understate the case either. There will be no hope to deter aggression, no hope to reverse aggression, no hope to keep peace or to make it co-operatively, if the world fails the UN here.

In his memoirs, Lester Pearson records one of the saddest episodes of international diplomacy in the 1930s, an episode which helped sow the seeds of the World War which was to follow. That episode was the consideration, by the League of Nations, of steps to be taken to counter Italy's unprovoked invasion of Ethiopia, another small country. Mr. Pearson, who was a Canadian representative to the League at that time, describes the heady start, the hopeful consensus at the beginning that sanctions should be applied, that Italy's aggression should be reversed.

He then catalogues the steady erosion of that consensus, the collapse of resolve, as government after government became timid, pre-occupied by narrow self-interest. What was to be the salvation of the League of Nations became its downfall, and the world lurched towards war. He concludes his commentary with the following observations:

For collective security to have real meaning for peace, all members must be prepared and willing to join in precisely the kind of action, economic and military, which is necessary to prevent or defeat aggression. Otherwise, an aggressor has nothing to fear from the international community but pinpricks.

Peace has a price. Order is not automatic. Security must be secured. Lester Pearson knew that.

Mr. Speaker, there are, I believe, only two clear choices before us. The first is to defend our principles and in so doing serve our abiding interests in building an international order which works. The second choice is to avoid conflict at all costs and in so doing to secure a peace which is temporary, a peace which will not endure, a peace purchased at the price of rewarding war.

Let this generation and these United Nations make the right choice, a difficult choice, but one which future generations will respect, not ridicule.

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STATEMENTS AND SPEECHES



DÉCLARATIONS ET DISCOURS

91/4



Notes for a statement
in the House of Commons by
the Right Honourable Joe Clark,
Secretary of State for External Affairs,
during an emergency debate
on the Baltic States

Ottawa, Ontario
January 21, 1991

Affaires extérieures et
Commerce extérieur Canada

External Affairs and
International Trade Canada

Canada

Mr. Speaker, there is not very often unanimity in this House, even on questions of international policy, but I think that this is one of those occasions in which the House of Commons of Canada speaks, if not with one voice, then certainly with one purpose and one conviction and that is to send the clearest possible signal to the leadership of the Soviet Union and to the Baltic peoples that Canada, each and every one of us, each and every Canadian, opposes absolutely the crackdown that has begun to develop in the Soviet Union against aspirations and governments which have a legitimacy in the Baltic States.

The hard question for us, and one that I think we cannot answer tonight, is what exactly and practically the people and Government of Canada can do to reverse these developments. We are all determined to seek the reversal and to find ways that are available to us within the limits we face, as a government with obligations and restrictions in the family of nations.

Everyone, every Canadian, I believe is shocked by the brutal and unwarranted use of military force against the people and democratically elected governments of the Baltic States, last week in Lithuania and yesterday in Riga, Latvia. We condemn such appalling and reprehensible behaviour and we call upon Soviet President Gorbachev to do the same.

No one can remain unmoved by the vigilant and peaceful struggle of the peoples of the Baltic States to regain their independence. Their future is bound up in that of the new international order we are trying to create, whether that is in Europe or in the Gulf. For that reason this debate is important. It is important also to make it clear to the leaders of the Soviet Union that whatever our preoccupations with a war in which Canadian lives are at stake in the Gulf, those preoccupations will not allow anyone to get away with a crackdown of the kind that is beginning, that is all too evident now in the Baltic States.

I want to commend the excellent work of the Member for Scarborough Centre who presides over an ad hoc committee of members of Parliament on the Baltic States. They have been concerned, committed and tireless in their efforts on behalf of the Canadian Baltic communities and the people who come from there.

Canada's support for the Baltic States has been unwavering. We recognize their de jure independence. We have never accepted their forcible annexation. We support the right of their peoples to determine their own future. The question for us is what practical help can we offer now.

I have just had the great privilege of meeting, in my capacity as a parliamentarian, with Vice-President Ivans of Latvia who came up particularly to see me tonight and is on now

for meetings later this evening or early tomorrow morning with the Secretary of State of the United States. We talked about three areas in which the help of Canada can be offered: one is material, one is moral and political and the third is diplomatic.

Regarding material help, there may well be in Latvia, as there sadly is in Lithuania, a need for some medical supplies. I asked Vice-President Ivans on behalf of the Government and people of Canada to prepare a list of the things that might be needed by the Latvian people, things that we might be in a position to provide and we would then look at ways -- and they could be difficult -- by which those might be delivered to people in need.

I would encourage groups in Canada who might have materials, medical supplies, perhaps other things that would be necessary to consider ways by which those might be gathered and made available for transmission to people in the Baltic States.

In terms of moral and political support, two or three matters were raised by the Vice-President of Latvia. One of them I think must be considered carefully by this House. It holds some risks, including personal risks and including a risk of being counter-productive and that is the possibility of a delegation of parliamentarians of this House going from here to Latvia.

As Secretary of State for External Affairs I would not at the moment make a recommendation on that matter. I think that is simply because this debate comes so quickly after the proposal was made.

There are some positive things that could be gained from a gesture of that kind. But there are dangers, some of them personal in the circumstances, and also the danger that that kind of action by parliamentarians from this House would invite exactly the opposite response from what we seek from the Soviet Union.

The Baltic countries have established a Baltic centre in Stockholm. That is something the Government of Sweden has determined to be acceptable by its interpretation of international law and practice. Certainly, I think it is important and useful for us to consider whether a similar arrangement might be applied here.

There are things that we have to consider doing on the diplomatic front as was discussed in this House in answer to questions from my friend for Winnipeg-Transcona. There has to be consideration here as to what we can do in the context of the United Nations, probably most likely in its committees dealing with human rights. We are already trying to define some ways in

which we can make progress through the Conference on Security and Co-operation in Europe (CSCE). I want to return to that theme a little bit later tonight.

As the two speakers preceding me have indicated, what is happening in Latvia and Lithuania is inseparable from the broader situation in the Soviet Union, a situation which becomes more troubling every day, particularly for those of us who were so encouraged by the movement towards glasnost and perestroika and so determined to do what we can to help those reforms succeed.

None of us wants the Soviet Union to crumble. All of us want reform in that society to succeed. We were encouraged, among other things, by the attitudes that had been shown generally earlier with respect to the status of the Baltic States. We are discouraged now, deeply discouraged, by actions that have become more violent and more dramatic in recent days.

There are things that we can do that we must consider to support the Baltic people, but we must try to do them in the context of encouraging the reform and the cohesion of the Soviet Union. That is a particularly difficult challenge for all of us, but it is, I think, Mr. Speaker, in everybody's interest, including the interest of the people in the Baltic States and the people of Baltic origin in Canada, that we seek a way that accomplishes or encourages together the reform that was started by Mr. Gorbachev in the Soviet Union and some movement towards the independence of the Baltic States.

There is no clear way, at least not clear to me, in which we can accomplish that goal tonight. But the Soviet Union, as it considers what it is doing now, and as it considers the importance to it of the support of a people and a government like ours, must understand that Canadians not only have commitments to human rights that are so much a part of our society, but also have a population that was formed in such large part by people who came from Eastern and Central Europe and from communities in what is now the Soviet Union.

Canadians cannot help but be profoundly affected by what is occurring in the Soviet Union now, and that if those actions do not stop, they are bound to have an effect for the worst upon the relations between Canada and the Soviet Union in a formal sense, but also, and perhaps in a much more important way, they are bound to dim and then to reverse the enthusiasm for reform that had been building among our own people, most particularly among people who had roots behind what used to be the Iron Curtain.

Canada's support for the Baltic States has been unwavering. We recognize their independence by right. We never

accepted their annexation by force. We argue in favour of the right of these peoples to determine their future.

Last spring, the three republics held fair and free elections. Federal representatives, including the Honourable Member for Parkdale-High Park, the Honourable Member for Winnipeg-Transcona and the Honourable Member for Scarborough Centre, and a representative from Ontario, Premier Rae, went to Lithuania during the election as observers.

At the initiative of Lithuania, on March 11, these democratically elected governments declared their independence from the U.S.S.R. They tried to negotiate with Moscow, as provided under the existing constitution. Instead, they were subjected to political and economic pressure.

After five years of a steadily deteriorating standard of living, perestroika has now reached a critical phase. The Soviet economy is crumbling. Pressure from independence movements is rising and public opinion is becoming increasingly negative. Mr. Gorbachev must choose: advance or retreat.

Gorbachev's supporters claim that law and order are the only weapons against anarchy. His opponents say that a policy of oppression will make him the hostage of reactionary forces. Polarization quickly leads to instability.

This winter, the U.S.S.R. asked Canada and other Western countries for assistance. We decided to support reforms by reducing the cost of transition. After my conversations with the former Minister of Foreign Affairs, Mr. Shevardnadze, the Prime Minister of Canada offered specific types of assistance at the last CSCE Summit in Paris. All of this is now at risk.

That things were getting worse in the Soviet Union was evident when Mr. Shevardnadze resigned in mid-December, warning that dictatorship could be on the way. The tragic events in Vilnius, the night of January 12-13, with 14 dead, 163 wounded and 57 missing, made Mr. Shevardnadze, unhappily, a prophet. Mr. Gorbachev has taken the position that the events in Vilnius were regrettable but inevitable. He has not condemned the violence; he has not expressed sympathy for the victims or repudiated those who ordered it. His ultimatum to the Baltic States gave the military a green light, though he is disclaiming any personal knowledge of the consequences.

All three Baltic States believe that military-enforced, direct presidential rule is imminent. They are directing urgent appeals to Canada and to other Western states, making an explicit linkage to the Gulf crisis. The three have sent out representatives empowered to establish governments in exile if

required. And, as the House knows and as I have said, I met earlier this evening with the Vice-President of Latvia.

Making any assessment difficult is the lack of coherence in Moscow among the various constituencies vying for power. Russian Republic President Yeltsin has joined the Baltic States in opposing the centre. Tens of thousands of people demonstrated in Moscow, yesterday, calling for Mr. Gorbachev's resignation and the restoration of democracy. Meanwhile, the situation in other republics is increasingly tense, in Georgia, in Armenia, in Moldavia and in Ukraine. Mr. Gorbachev and the military have threatened them with similar treatment if they do not knuckle under. Many believe that the Baltic States are the dress rehearsal.

Last spring, Canada welcomed the free elections in the Baltic States, stressing our support for the right of their peoples to determine their own future. We protested the Soviet resort to intimidation. In my parliamentary capacity, I met with the then Prime Minister of Lithuania, Madame Prunskiene. Canada moved quickly to express its concern about the dangerous situation currently developing in the Baltic States. In December, the Prime Minister and I, in our parliamentary capacities, met with Lithuanian President Landsbergis, Latvian Prime Minister Godmanis and Foreign Minister Jurkans. I wrote to former Foreign Minister Shevardnadze on December 13 seeking confirmation of explicit assurances that were given to me and to the Prime Minister, a year ago, that there would be no crackdown in the Baltic States. On January 8 and January 11, the Soviet Ambassador was called in.

I, on behalf of the Government of Canada, issued tough statements. Canada's reaction to the tragic events in Vilnius was among the strongest to come from any democracy in the Western world.

The Prime Minister wrote immediately to President Gorbachev. He issued a strong condemnation calling on the Soviet President to show restraint and to negotiate settlements based on the Helsinki Final Act and the Charter of Paris. He reminded him that, at this time of heightened international tension, Canadians were watching events in the U.S.S.R. just as we were watching events in the Gulf.

At the same time, the Prime Minister announced that Canada was reviewing its offer of technical assistance and the new \$150 million line of credit. That is not food aid, but a commercial sale. We have drawn a direct linkage between Canadian assistance and the continuation of Soviet reform. I announced earlier that we were reviewing actions under those programs. I want to advise the House that we have now suspended any action

under those programs that had not taken place before the actions in Lithuania.

On January 15, this House passed a unanimous resolution condemning the brutal violence used against the people and democratically elected Government of Lithuania.

Saturday, I received a communication from the Soviet Ambassador giving the official explanation for the tragic events in Lithuania. The note rejected Moscow's responsibility for what happened blaming instead the Lithuanian leaders who were claimed to have held extremist positions. That, however, was before the equally tragic events in Riga yesterday.

No one knows if Mr. Gorbachev is still in charge or, more worrying, whether he remains committed to the reforms that began in his name. In his letter of January 13, the Prime Minister warned the Soviet President against the consequences of his present course. That letter remains unanswered, and tonight I would like to quote it and lay it on the table of Parliament.

The Prime Minister wrote:

Dear Mr. President,

I am writing to express the shock and abhorrence felt by all Canadians at the unwarranted violence used against the people and democratically elected Government of Lithuania.

The Secretary of State for External Affairs raised Canada's concerns with the Soviet Ambassador, January 11. Since then, Soviet military forces have been used against the institutions and citizens of Lithuania with resulting serious injuries and loss of life.

I deeply regret that these actions have taken place. They are contrary to the assurances Mr. Clark had received from Foreign Minister Shevardnadze and which you had explicitly repeated to me that there would be no crackdown in the Baltic States. I cannot stress to you strongly enough the importance of quickly and unequivocally condemning such behaviour.

You have accomplished a great deal in bringing new hope to your nation and the world. I appeal to you not to undermine this achievement but to show restraint in this increasingly dangerous situation so that further bloodshed can be averted. I urge you to seek negotiated solutions consistent with the Helsinki Final Act, the Charter of Paris and the legitimate aspirations of Lithuania and the other Baltic

States. Democracy cannot exist without respect for fundamental human rights and freedoms.

As of now, Canada is reviewing its offers of technical assistance and new lines of credit for the purchase of foodstuffs. Developments in the Baltic States will also have an impact on the agreements reached during Mr. Clark's visit to Moscow and in our discussions at the CSCE Paris Summit.

I must stress that further escalation will have serious consequences for our relations. As Mr. Clark advised the Soviet Ambassador, at this time of heightened international tension, we are watching events not only in the Gulf, but in the U.S.S.R. as well. In circumstances such as these, you should not underestimate the force of Canadian and world opinion.

That was the Prime Minister's letter to Mr. Gorbachev, and I am prepared to lay it on the table of the House.

Mr. Speaker, I think the Honourable Member understands, as others in the House do, the constraints that are upon us as a country. I have made it very clear that the circumstances under which I could meet elected leaders, other parliamentarians who hold government office from the Baltic States, was in my capacity as a parliamentarian. That has been understood by all of them and I think clearly understood by members of the Baltic community in Canada. It was certainly in that capacity that I met the parliamentarian who is Vice-President of Latvia today.

Mr. Speaker, officials of the departments of External Affairs and International Trade are in continuous contact with representatives of the Baltic communities and concerned individuals.

For example, we are continuing to facilitate the shipment of medical supplies to Lithuania and to other Baltic States.

In Moscow our embassy has been repeating Canada's message, the message of the House of Commons and our government to the Soviets through the Ministry of Foreign Affairs there, including a conversation today between Ambassador Michael Bell of Canada and the new Foreign Minister Bessmertnykh of the Soviet Union.

An embassy officer is on the ground in Vilnius providing consular services to Canadians in the region and acting as a channel of communication. He is in direct contact with President Landsbergis.

Another embassy officer is leaving for Riga shortly.

We are looking at ways of including the Baltic States in the CSCE process. Canada is making strong statements at the CSCE conference in Valetta, the meeting on the peaceful resolution of disputes and will do the same at ongoing meetings in Vienna.

Canada and others will be invoking the human dimension mechanism of the CSCE which we think may provide us more influence than we had heretofore seeking explanations formally from Soviet authorities about what is happening in the Baltic States.

As the House knows, the Member for Markham raised a proposal in the House today of which I have taken note regarding the conference under the CSCE process on human rights.

We are discussing the situation with our allies in NATO and are considering the means by which it might be raised effectively in the United Nations, especially in the Commission on Human Rights meeting in Geneva later this month. Members of Parliament have made the point to me that, while they understand the effect of the veto on matters that might be raised in the Security Council, the presence of that veto should not in and of itself preclude us from raising the matter either there or in the General Assembly. We are looking at ways effect can be given to that view.

Bilaterally we are looking at concrete ways that Canada can support the Baltic States through increased contacts and direct assistance. We are also exploring with the Baltic communities in Canada the possibilities of opening a Baltic information office here in Canada.

I am prepared to look at any other ways that are practical. There are limits upon what we can do given our obligations in the family of nations and given the importance of our continuing relations with the Soviet Union, given the importance indeed of our capacity to influence that country and that government, not simply in matters it considers internal but also in other international matters.

I can say, that while I am aware of those limits, it is my intention and the personal commitment of the Prime Minister to push those limits as far as is humanly possible. I will need not simply the support of the House in that, but also the advice of the House as to means that might be followed that can accomplish that purpose. Any proposals that are put forward in this debate or later will be seriously considered.

The purpose of this debate, I believe, is to make one message clear to the Baltic peoples and most particularly to the

leadership in the Soviet Union, and that is that the violence and repression that we have seen in recent days is completely unacceptable to Canada, unacceptable to this Parliament and poses a grave risk to relations that we want to pursue and to reforms that we want to encourage in the Soviet Union.

There is a crisis in the Gulf that preoccupies us all. If leaders of the Soviet Union thought that would deflect the attention of Canadians, this Parliament or this government away from the situation of the Baltic peoples, then they were wrong. We are committed to support principles that have been important to Canadians for years and to support peoples whose bravery and determination has won the admiration of all of us.

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STATEMENTS AND SPEECHES



DÉCLARATIONS ET DISCOURS



91/5

Notes for an address
in the House of Commons by
the Right Honourable Brian Mulroney,
Prime Minister of Canada,
on the situation in the Persian Gulf

Ottawa, Ontario
January 22, 1991

Affaires extérieures et
Commerce extérieur Canada

External Affairs and
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Canada

Mr. Speaker, I rise today to ask all Members of this House to support Canada's efforts, as a member of the United Nations coalition, to expel Saddam Hussein from Kuwait. I do so, Mr. Speaker, on the basis that sometimes war is necessary to secure peace. The war in the Persian Gulf did not begin on January 15th but, rather, on August 2nd, when Saddam Hussein invaded and occupied Kuwait, brutally and without provocation.

Saddam Hussein's action threatened the entire region. It gave the world community the choice either to do nothing, as it had so often done in the past, and acquiesce in the occupation by Iraq of a country one-tenth its size. Or to respond. The world responded. The world decided to act within the framework established 46 years earlier in San Francisco, a framework Canadians helped build -- the United Nations.

The world did not use force immediately to reverse Saddam Hussein's aggression. Rather the response was both measured and prudent, giving diplomacy a chance to secure the peace. From the beginning of August to the end of November, 12 resolutions were passed by the United Nations Security Council ordering Saddam Hussein out of Kuwait. Almost all of these resolutions were passed unanimously. This unity of purpose and perspective reflected the totally unacceptable nature of Saddam Hussein's assault on the principles of peace and security. And it reflected the new spirit of cooperation which had given new life and new hope to the United Nations when tensions between East and West eased. Twenty-eight nations sent forces to the Gulf to enforce the sanctions.

The last five months of 1990 and the first weeks of 1991 witnessed the most intense diplomacy in modern history. At meetings of the United Nations, the Arab League, the European Community, and the Non-Aligned Movement and in literally hundreds of contacts between leaders from the world over -- north and south, east and west, Moslem and non-Moslem, Arab and non-Arab -- all avenues to peace were explored. I am satisfied that throughout these months Canada did all it could do diplomatically in the cause of peace. But all avenues led only to the dead-end of Saddam Hussein's intransigence. And so, on January 15th, after a final, 47-day pause for peace, coalition nations followed through with the use of force authorized by the United Nations.

Canada joined in that effort. We were determined to see the United Nations act as it said it would act if Saddam Hussein did not respond to the will of the world. We were determined to help secure the withdrawal of Saddam Hussein's forces from Kuwait and to help restore peace and security to the region, as called for in U.N. Security Council resolution 678. So we asked Canadian men and women to serve their country again, this time in the Persian Gulf, accepting the great personal risks this entails. These courageous men and women deserve our full support and we owe it to them, to their families and to history to make our positions clear, to declare where we stand as representatives of the Canadian people.

In bringing this debate to a close, I want to restate the key issues. Mature and informed judgement of Canada's interests must be the basis of our decision. Wishful thinking that evil will go away if we want it to badly enough has no place in serious decision making.

The first interest we have at stake is simple morality. A terrible wrong is being perpetrated in Kuwait by Saddam Hussein. The world community has a moral obligation to step in and stop it. Canada shares in this obligation. And Canada cannot and will not leave others to defend its principles. We never have and we never will.

The second interest we have in this conflict is the construction and maintenance of a system of international peace and security that has the capacity to deter aggression and where necessary, to stop it. For decades, Canada has sought an effective system of international law and order based on the principle of collective security. With the exception of Korea, we have been stymied in that effort by ideological confrontation -- by the Cold War -- which paralysed the U.N. Security Council and which made collective security impossible. Collective security is not an alien objective. It is very much in the best of Canadian traditions.

As Geoffrey Pearson said recently in speaking of the urgent crisis in the context of Canadian traditions: "My father was not a pacifist. His policy was based above all on the U.N.'s importance to preserving peace. But once war broke out, he felt that U.N. member countries should use military intervention to oppose an aggressor." That is a Canadian article of faith, learned at the cost of countless lives -- many of them Canadian -- in two world wars and Korea.

But some Canadians, and some Members of this House, have asked why now, why here. Some argue that because the U.N. did not always suppress aggression in the past, it should not do so now. But when action was not taken in the past, when nations walked away from the U.N., the organization was undermined. Its security role atrophied. And conflict followed conflict. That is not an argument; that is history.

To say that because the U.N. did not work in the past, it should not be used in the present is to condemn it to perpetual irrelevance. If, on January 15th, the United Nations coalition had fragmented or had abdicated its responsibilities, I do not believe it inaccurate to say that the U.N. would have been discredited for decades to come, and quite possibly forever. If the U.N. had backed away, then why would any aggressor bother in the future with an international body that lacked the will and strength to follow through on its own decisions? Canada needs a U.N. that can both talk and act. It is a vital national interest. The best hope we have for a safer world is to give the U.N. the support it needs to work.

The most serious -- indeed troubling -- question for many Members in this debate has been as much about timing as about principle. Why could the world not wait and give sanctions and diplomacy more time? It is the view of this Government -- and the view of virtually every other U.N. coalition member -- that the risks and costs of waiting had become too great to tolerate. If sanctions alone had continued, the plunder of Kuwait would also have continued.

When this House debated this issue in September and again in November, Amnesty International had not yet documented the terrible reality of Iraqi brutality -- the unplugging of the incubators of Kuwaiti babies, the assaults on Kuwaiti women, the execution of young Kuwaiti men before the eyes of their parents and their brothers and sisters. We know now. We know as well that over half of Kuwait's population has fled in terror. What would have been left of Kuwait if the world had waited another six months, or 16 months or 60 months, or however long it would have taken sanctions to affect Iraq's military capacity, if they ever did?

We know now that Saddam Hussein used the pause for peace not for diplomacy but to lay plans for terrorism and to build his defences. He did not prepare for peace. He did not even explore the path to peace but instead prepared to launch missiles at innocent civilians in Israel and Saudi Arabia. Those criminal, terrorist attacks continue this afternoon. He used the time to mine Kuwait's oil wells and to build a pipeline to pollute the Persian Gulf. And he used the time to prepare formidable tank defences. He used the pause for peace to prepare for war. The world will measure the costs of waiting in coalition casualties. It is reasonable to conclude that with more time, he would have dug in deeper -- and the risk of casualty lists lengthening further would have increased.

Nor can we overlook the political risks of delay in a region that is a ticking time-bomb. A continuation of sanctions would have given Saddam Hussein time to sow discord and to trigger terrorism. Meanwhile, the developing world and Eastern Europe would have continued their economic tail-spins. One week ago today in my address to the House I said: "The argument is made by some that Canada should hold itself back now in order to play a peacekeeping role later. Were Saddam Hussein to succeed in his annexation of Kuwait, he would be in a position to threaten the entire Middle East, and he is in the process of threatening individual nations as we speak. With the time and the wealth he would gain and acquire, he would add further weapons of mass destruction of his arsenal, including, in all probability, nuclear weapons.

"In what position would this put his neighbours? After Iran and Kuwait, what would be his next target? Saudi Arabia? Jordan? Would we hold ourselves back again, waiting for the latest atrocities to end so that Canada might then be invited in as part of a peacekeeping force?

"Saddam Hussein has threatened to attack Israel with weapons of mass destruction. In the face of extraordinary provocation from Iraq, as evidenced by Foreign Minister Aziz's deplorably aggressive threat last week, Israel has demonstrated remarkable restraint. Should Saddam Hussein move against Israel, would we still hold ourselves back in the hope that we would be called in later to help keep what's left of the peace in what's left of the Middle East? This course is a prescription for neither wisdom nor responsibility and it is not a course that Canada should follow."

Those, Mr. Speaker, were my thoughts last week. Most leaders around the world shared the view I conveyed to the House. Just hours ago Saddam Hussein unleashed another unprovoked attack on innocent civilians in Israel. Men, women and children in Israel have become targets in the lethal shelling of that nation by scud missiles fired from Iraq. Among the reasons that this government stood firm last week when the critical hour came, and will continue that policy until victory is won, was that we had resolved never to remain silent and indifferent while Israel was threatened with death and destruction. History has shown both the folly and the immorality of that course, and I know that this Government and all Canadians will shun it for the appeasement it is. This war is about fundamental principle and about the kind of world we must create.

There is no evidence that sanctions were achieving their objective -- the withdrawal of Saddam Hussein's forces from Kuwait. In fact, our experience with sanctions over the last five and a half months was far from encouraging. There is no doubt that the Iraqi economy was being affected. Imports and exports were heavily affected. Rationing had become more widespread. Prices for some goods had increased dramatically. Some factories were closed. But we also know that some foodstuffs and commodities were getting through the embargo. And that during the period when Saddam Hussein was reducing rations to his own people, he was increasing the rations for his army. Would the world have persevered with sanctions and would the coalition have held if Iraqi and Kuwaiti citizens starved while Iraqi forces sat tight in Kuwait?

This is a man who inflicted the ultimate sanction on his own people -- perhaps a half-million casualties in an eight-year war with Iran that he, himself, started. This is a man who used gas in war and who turned it on his own citizens. This is a man who took tens of thousands of people hostage. This is a man who is using rockets to attack civilian population centres, not military installations. This is a man who violates the Geneva convention abusing prisoners of war and threatening to use them as human shields to protect his weapons.

Since we last debated the Gulf crisis in November, we have all been able to make a better assessment of this man. Knowing what we know now, there cannot be many of us who still think that sanctions alone would have stopped him. It might have been possible to believe that when we first debated this crisis in September or even in November. But there cannot be many of us who are confident of that judgement now.

None of us in this House wants war. But sometimes it is necessary to fight for peace. And this is one of those times. I believe that as a nation we must bear our burden in doing by force what diplomacy and sanctions could not do. We must secure Saddam Hussein's withdrawal from Kuwait as 12 U.N. Security Council Resolutions demand. And we must maintain solidarity with our coalition partners -- within the region and outside it -- many of whom are bearing a far larger burden than we are. What would the world think of us if we withdrew our forces when the going got tough and we retired to the sidelines? And, more important, what would we think of ourselves?

Canada will do its share. I can tell Canadians that we have the full capacity now to meet the obligations we have assumed and that all of our obligations can be met without the introduction of a policy of conscription. All Members of this House want to see this conflict end -- no one more than my colleagues and I. But some Members argue that we should have a pause in the conflict, now. In our view, such a pause would be counterproductive. Resolution 678 -- the resolution that Canada co-sponsored -- has already provided for a pause. The Government sees no point in pausing again.

The proper response to Saddam Hussein's intransigence and brutality is not to reward him with a respite from the war he started. It is in no one's interest to make it any easier for him to position more missiles to attack the cities of Israel and Saudi Arabia. And we are not going to take a chance at letting him regroup, rebuild his damaged infrastructure, and deepen his defences. The first order of business is to win the war. The second order of business is to win the peace.

Saddam Hussein has exploited the fissures and fractures of the most volatile region in the world. This is a region where weapons of mass destruction exist. This is a region that has made arms merchants rich. It is a region where many are poor and politics notoriously unstable.

The history of this region is that one war has simply set the stage for the next war. While the battles continue and Kuwait is being freed, while the United Nations resolutions are being implemented, Canadian diplomats have begun to consider what to do afterwards to bring peace and security to this turbulent region. The military victory we seek will be short and bitter, if we do not build just and durable peace. We will spare no effort in seeking solutions to those problems. Seeking solutions to those problems starts with the United Nations. If we succeed in maintaining our unity of purpose now, the problems of this region can be addressed by a U.N. that has stood the test of crisis. If we do not succeed in maintaining our unity of purpose, those problems will fester in the face of a discredited U.N.

Throughout this crisis, the government has taken a clear, consistent and constant position -- a position of principle. We have opposed aggression, we have supported the United Nations and we have been determined that Canada carry its share of the burden. There has been no equivocation and no shift of position. No one can be in doubt where the Government has stood from the very beginning.

Last November, in the second of three debates this House has had on the Gulf crisis, the Government outlined Canadian interests, stated our intention to support the will of the United Nations, and set out what action might be necessary if Saddam Hussein continued to defy the world. These issues were debated fully at that time. And since January 15th, we have debated whether or not to continue to support the United Nations and its resolutions. Since August 2nd, this House has debated Canadian policy towards the Gulf crisis for over 75 hours. The debate has been much more extensive than in the U.K., Australia, France, the United States and other democracies around the world.

When we first despatched our ships to the Gulf, there was an urgent need to deter further aggression. As time passed, as Saddam Hussein's determination to keep Kuwait became clearer, as doubts grew that sanctions alone would be enough to get him out, the world community realized that force would be necessary. In voting in this House on November 29, we were voting for U.N. Resolution 678, authorizing the use of force as of January 15, which was adopted in New York that same day. The U.S. Congress debated a similar motion, for the first time, in the second week of January, some six weeks later.

Parliament has had many opportunities to express itself on the principles, as it should. And the government has assumed responsibility for the decisions, as it must. We are confident that we have followed both the letter of the law and the spirit of the law. I call on all Members, including those Members who may have had different views before November 29th or before January 15th, to support the motion before us to reaffirm Canada's support for the U.N. No Canadian wanted this war. Every Canadian wanted peace.

The world gave Saddam Hussein a choice between war and peace and he chose war. Given his deliberate choice, Canada has followed a resolute and unswerving course: we have chosen to stand with the United Nations; and we have chosen to stand against aggression. We have chosen to stand up and be counted when freedom and world peace was under challenge.

On December 11, 1957, Lester Pearson spoke at the University of Aula in Oslo, in accepting the Nobel Peace Prize. He said: "...There can be no enduring and creative peace if people are unfree. The instinct for personal and national freedom cannot be destroyed, and the attempt to do so by totalitarian and despotic government will ultimately make not only for internal trouble but for international conflict."

Let us decide together, today, to support the United Nations in its deeds as well as in its words. Let us help to free Kuwait. And let us work together to restore peace and security to that region, confident that, having done the right thing today, we can look forward to a more peaceful to-morrow.

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STATEMENTS
AND
SPEECHES



DÉCLARATIONS
ET
DISCOURS

91/6

"PEACEKEEPING AND PEACEMAKING:
THE PERSIAN GULF CRISIS AND ITS CONSEQUENCES"

Notes for a speech by
the Right Honourable Joe Clark,
Secretary of State for External Affairs,
to the Seventh Annual Seminar
of the Conference of Defence Associations Institute

Ottawa, Ontario
January 24, 1991

Affaires extérieures et
Commerce extérieur Canada

External Affairs and
International Trade Canada

Canada

Canadians are a peaceable people. We do not fight wars at will. But we are at war now. No Canadian is happy with what is now happening. War -- any war -- is a failure of diplomacy. Wars destroy; they do not build. They bring sacrifice and suffering to those called upon to fight and to those innocent civilians who are caught in conflict. War should never be a point of pride. However, some wars can be a point of principle. This is one of those wars.

I want to talk today about that principle. And in so doing, I want to talk about the choices the world has made, the consequences which come from those choices, and the obligations we now bear as Canadians to ensure that this war helps build a durable peace.

When Saddam Hussein invaded Kuwait, he threw a gauntlet down to the world. The world then was faced with hard choices. One choice was to do nothing, as so often in the past, to allow aggression to proceed unopposed and in so doing to confirm the arithmetic of aggression, the age-old power of the strong over the weak. The world rejected that choice.

There was a second choice that could have been made. And that would have been for individual countries to respond immediately, unilaterally and with force. That action might have reversed Saddam's aggression. But in rejecting diplomacy and ignoring the United Nations, it would have done nothing to reinforce institutions of international order or the use of diplomacy as an alternative to war. The world rejected that choice as well.

The world made a third choice, an historic choice, a choice it had not made for 40 years. That choice was to work within the United Nations. That choice was to give peace a chance.

In the fog and frenzy of war, we must not lose sight of the painstaking diplomacy that was tried and failed. After Iraq's attack on August 2, there was a long pause for peace, a pause designed to give diplomacy a chance. Twelve resolutions were passed by the United Nations Security Council, almost all without dissent. Comprehensive and mandatory sanctions were applied universally to a degree never seen before. Dozens of countries were involved in the most intense period of diplomacy mounted in modern history to avert conflict.

Those facts demonstrate the absolute preference of the world to avoid this conflict. War was not the first choice, but the last.

That period of intense diplomacy -- a period lasting almost half a year -- bore no fruit. Every door the world

opened, Saddam Hussein slammed shut. And so, on January 15, after a final, 48-day pause for peace, the Members of the United Nations were faced with the choice of following through with the use of force which the Security Council had authorized if Saddam Hussein did not withdraw from Kuwait.

Canada has joined that effort along with every other Member of the 28-nation Coalition in the Gulf. We are determined to secure the withdrawal of Saddam Hussein from Kuwait. We are now doing by force what diplomacy and sanctions were not, in the end, able to do. That purpose is firm and the Coalition is firm. Canada was with the United Nations before this conflict, we are with it now, and we will be with it after to build a new peace.

That the world chose the United Nations was historic. At the beginning, it was not clear that this choice would be made. President Bush was pressured by respected advisors to launch a unilateral surgical strike. Canada argued against that, strongly. The Prime Minister made that case directly to the President. Earlier in this conflict, the United States was contemplating acting alone, without the authorization of the United Nations Security Council. Canada argued strongly against that. And the United States came to the United Nations.

The United States remains with the United Nations and so does every other Member of the Coalition. We must not underestimate what a sea-change this represents, what a precedent it sets, what an opportunity it presents. For the first time in 40 years, the great powers have returned to the United Nations, to work within it as its architects had intended, to compromise, to seek consensus, and in so doing to build order.

That is something Canadians have sought for decades. It is not something we have sought because we have been idealists. It is something we have sought because Canada requires order and because we know what order requires. We take the United Nations seriously because we are not a superpower or a great power, because the order we need to live and prosper is an order we cannot impose, an order we must build with others. There is no country in the world more serious about the UN than Canada. And there are few countries which depend on a serious UN more than Canada.

If, on January 15, after almost six months, after 12 UN resolutions, after an intensive period of exhaustive diplomacy, the Members of the United Nations had walked away, they would have walked away, not from conflict, but from the United Nations itself. Under what possible circumstances would any great power in the future bother with a body which proved itself incapable of following through on its own decisions? The United Nations cannot cry foul and then cry wolf.

Other organizations have done that and they have failed. The League of Nations cried foul and then cried wolf. And it collapsed and with that collapse came conflict. And the UN itself, gripped by the Cold War, so often issued declarations, and statements and condemnations -- fine words. But they were words which the world ignored because the world knew those words would not be backed up by action. The United Nations was not created as a seminar or as a soapbox for sermons. It was created as a place where world leaders could talk to avert war and where, if that talk failed, action would be taken. That's what the UN was for. That's what the Charter says. That's what the world was unable to do for decades. That's what it is able to do now.

The United Nations we now see is not the United Nations we had come to expect. We were used to a United Nations which talked and exhorted and condemned. We were used to a United Nations which took action only in other fields -- in the field of development, humanitarian assistance, education, and the exchange of information. That action is important in its own terms, as well as for peace and security. But that action does not reflect the United Nations' security mandate, its agenda to act against aggression.

The United Nations was invented to deter aggression and reverse it if deterrence failed. That is sometimes called peacemaking, the topic of your deliberations today. The debate over the Gulf has seen distinctions made between peacemaking and peacekeeping. It is stated by some that the UN should keep the peace but not make the peace. It is stated that Canada should keep the peace but not make the peace. It is stated that we will not now be able to keep the peace because we are making it now in the Gulf.

I do not accept those statements nor the trade-offs they pretend. Peacekeeping does not even appear on the Charter of the United Nations. Peacekeeping was an invention of the Cold War, an invention of necessity because the UN did not work. It was invented not because of the great powers, but despite them. It was invented to pick up the pieces once conflict had concluded, conflict the UN could neither deter nor counter.

Canadians helped invent peacekeeping. Its architect, Lester Pearson, won the Nobel Prize. And its participants -- 43,000 of whom have been Canadians -- won another Nobel Prize two years ago. Peacekeeping is exploding. Last year saw more peacekeeping missions mounted than in the entire history of the United Nations. And, if the UN remains credible, this activity will expand in the future to the Western Sahara, Cambodia and elsewhere.

Peacekeeping is precious. Its role in separating former combatants allows peace to be built and stability to

settle in. And its new and affiliated roles in monitoring elections, operating police forces, helping refugees and combatants resettle, and managing transition governments is an important and valuable asset for the United Nations.

But the point has to be made that the ability to stand between combatants who have agreed to stop fighting does not amount to one ounce of deterrence or one iota of ability to stop wars once they have started. What peacekeeping role would exist in the Gulf if Iraq's aggression against Kuwait had been allowed to go unchecked? What peacekeeping role now exists while fighting is under way and there is no truce to supervise, no armistice to audit? There can only be peacekeeping when there is peace. There was no peace after Saddam Hussein declared war on Kuwait. There is no peace now that the world is acting to evict Saddam Hussein from Kuwait.

Peacekeeping follows peacemaking. It is no substitute.

Some worry that our participation in peacemaking in the Gulf rules us out of future peacekeeping there, or elsewhere. I don't believe that. The Secretary-General of the United Nations, whom I talked to just a few days ago, does not believe that. Foreign Ministers in the region with whom I have spoken do not believe that. Canada's efforts in Korea did not preclude 43,000 Canadians from serving the UN abroad. Canada will continue as a peacekeeper and we will continue as a peacemaker.

Just as the architects of the United Nations equipped that organization with the ability to go to war to reverse aggression, they also intended that the Members of the United Nations use diplomacy and other means to secure compliance with the international will. War was not meant to be automatic.

In the Gulf, war was not automatic. It was the last resort after diplomacy and sanctions failed. Some Canadians have disagreed. While they do not dispute the principle of acting with the UN -- or indeed with the proposition that force might be necessary in the end -- they do declare that peace was not given a chance.

This is a serious debate. War must always be the last, most reluctant choice. Would sanctions have forced withdrawal from Kuwait if we had waited longer? Perhaps, but probably not. It is our view that the risks of waiting were unacceptable. What could those risks have been?

Risk Number 1

The plunder of Kuwait would have continued. We know now the terror Saddam's army brought to Kuwait. Amnesty International has documented that terror. We know that half of

Kuwait's population has fled in terror. If we had waited, what sort of liberation would we be bringing to Kuwaiti society? Would there have been a Kuwaiti society to liberate?

Risk Number 2

Saddam Hussein would have continued to prepare for war and to plan for terror. While the world thought it was pausing for peace, Saddam Hussein was preparing for war. He was preparing the despicable tactic of launching missiles at innocent civilians in Israel, a country not at war with Iraq, as well as at civilians in countries which are part of the Coalition. He was preparing a pipeline to pollute the Persian Gulf. He was not getting out, he was digging in.

Risk Number 3

Those preparations probably helped Hussein ensure that casualties might be higher than if force was used earlier. Continuing with sanctions would have increased casualties if war, in the end, were necessary.

Risk Number 4

There is the incendiary nature of that region, a region that sits on a hair trigger, a ticking time bomb. A continuation of sanctions would have allowed Saddam Hussein to sow discord and to trigger terror.

Risk Number 5

The developing world and Eastern Europe would have continued their tailspin. Unstable oil prices crimp lifestyles in the developed world. Unstable oil prices threaten lives in the developing world.

Risk Number 6

There is our experience with the last five-and-a-half months of sanctions. Despite the near universality of sanctions and adherence to them, important materials were still getting through, strategic materials which help sustain Saddam's ability to wage war. On small planes and small boats and small trucks -- even on pack animals -- spare parts, chemical additions, lubricants and other strategic imports as well as foodstuffs were getting through. If a continuation of sanctions had been accompanied by a crumbling of the Coalition, that material would have multiplied.

Certainly, the civilian economy of Iraq was suffering from sanctions. Trade was down. Inflation was up. Shelves were less full. Factories were closing. But Kuwait is not occupied

by factories or civilians, it is occupied by an army. We know now that during the pause for peace Saddam increased the food for his troops and reduced the food for his people. That proves his priorities. It makes clear that his Iraqi people would have suffered horribly and Saddam's army would still not suffer.

These, then, would have been the risks involved in giving Saddam Hussein yet another pause for peace: a Kuwait further pillaged; an Iraqi army further strengthened; a potential casualty list lengthened; a developing world and an Eastern Europe impoverished; and an incendiary region made even less stable. Those would have been terrible risks.

This is a man who gassed his own people, a man who took hundreds of hostages, a man who sends rockets to kill innocent civilians, a man who now threatens to use prisoners-of-war as human shields. This is the man who did not move for 168 days. Would more time have made this outlaw a man of reason, a man of peace?

This Government -- indeed no government -- saw any information which would convince us that those risks of delay were worth bearing. I believe that Canadians, now confronting the costs of conflict, should have confidence that peace was indeed given a chance.

This war, then, is both a war of principle and a war of last resort. But our concerns must not stop there. It is not enough that we simply concentrate on the choreography of conflict. Wars are only worth fighting if the new peace they usher in is preferable to what went on before.

Wars have causes. Peace has prerequisites. That is true in the Gulf as it is true everywhere.

Saddam Hussein's aggression is without justification. But Saddam's aggression occurred in a region of the world more volatile than any other, a region of hatred and extremism and ideology and terror. It is those forces which helped bring Saddam Hussein into power. It is those forces which sustain him. It is those forces he now seeks to manipulate as he tries to make the Coalition crumble by spreading terror across the region.

No one can look at the Middle East or the Persian Gulf and be proud or sanguine. This is a region where the success of diplomacy has been known largely by its absence. This is a region where weapons of mass destruction are stockpiled, weapons developed because of insecurities and ambition, weapons which the West played a role in building.

Canadian arms exports to this area have been closely controlled. But this is a region which has been a boon to the

world arms bazaar, a bonanza for those with Swiss bank accounts. We know the old argument, that arms do not cause conflicts, that they are simply the result of conflicts. But arms cost billions, they distort economies, they make unstable regions more unstable, they ensure that conflict becomes more bloody when it occurs. In a region where allegiances and friendships shift like the sand, where what is one day considered a prudent defence is regarded the next day as a dangerous offence by countries there and outside, no one can look at the arms trade and shrug. In the Middle East, a free market in arms is a suicidal market.

If there is one priority -- one lesson -- which the world must learn from this war it is that an unrestricted arms trade in this region is no longer acceptable and constitutes a threat to the security of all Members of the United Nations.

The Middle East has a history of wars where ceasefires have become starting guns for the next conflict. Peace here has been nothing more than the absence of war. However long or difficult this conflict is, the United Nations must turn urgently to resolving the animosities and differences between the states and peoples of this region. If it does not, if an end to this war becomes another period of preparation for the next, we will have failed. We will have proven yet again that the Middle East is a region of war punctuated by peace.

And there are other priorities which will require urgent attention, priorities of economic and democratic development. Although the Middle East has oil, it is also, in many countries, characterized by deprivation on a massive scale. There are inequalities of wealth which feed the politics of hatred and intolerance. Development in this region will be as important a component of security in the future as any other measure.

What this region needs is a structure and an attitude of co-operative security. It needs that on the part of countries in the region and on the part of those who can influence those countries. Countries there and outside must accept that security has ceased to be something to be achieved unilaterally, or through military means alone. Security must be multidimensional and it must be co-operative.

That is true the world over. It is true particularly for the Middle East. For there, behind today's headlines, are the fault-lines. The fault-lines of wars unsettled, of economic underdevelopment, of interdependence shown by our reliance on oil, of proliferation, the fault-line of potential conflict between Arabs and between Arabs and non-Arabs which this conflict may exacerbate if care is not taken.

The events in the Gulf expose another type of gulf, the gulf which exists between our aspirations and our achievements. Closing that gulf will be a priority for Canadian foreign policy in the period ahead. We must address that priority with as much firmness, determination and unity as we bring to our current commitment purpose.

That task too is a task for the United Nations. If we fail to maintain the unity required today to get Saddam out of Kuwait, we will also fail in these other areas. For the UN would be discredited, and a UN discredited cannot confront the tremendous challenges that region poses to the world.

I have spoken of obligations abroad. I want to conclude by addressing obligations at home. It is said the truth is one of the first casualties of war. So too is tolerance. The emotions and prejudices and stereotypes which conflict conjures are insidious. As we face a dictator in the Gulf, we must remember the requirements of democracy and tolerance at home. If this war breeds animosity between Canadians, that too would be a victory for the peacebreakers.

Democracy is characterized by -- indeed dependent upon -- the articulation of different views. This war has prompted debate. To oppose this war does not mean to support Saddam Hussein. That is true with non-Arab Canadians. It is true of Arab Canadians. Reasonable people -- good Canadians all -- have differing views. That right is the right of every Canadian. That right is the essence of democracy. That is a right not enjoyed by those who must live under Saddam Hussein.

Among the people who fight most fiercely against Saddam Hussein are Arabs. The main Coalition partners in the region seeking to bring freedom to Kuwait are Arabs. This is not a fight between peoples. This is a fight with one man -- a fight between the rule of law and an outlaw.

This Government strongly condemns any and all acts of intolerance and racism displayed towards Canadians of Arab origin, or Canadian Jews, or Canadian Moslems or others.

Intolerance is alarming when it occurs between adults. It is especially tragic when Canadian children are subjected to mistreatment. It is the obligation of every parent to ensure that our children understand that this conflict in the Gulf has nothing to do with their neighbours, and that those neighbours are as Canadian as anyone else and that their rights as Canadians must be respected.

These are trying times for all Canadians. They are times of torment for those whose loved ones are at risk in the defence of principle. It is for their sake and for those who

will follow us that we redouble our efforts to ensure that out of the ashes of this conflict comes an order which works for that region and the world.

I assure you today that Canada will do what it can both to make peace and to build peace. For to pursue one without the other is to condemn the United Nations and all it stands for to failure. We must not fail.

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STATEMENTS AND SPEECHES



DÉCLARATIONS ET DISCOURS

91/7

Notes for a speech
by the Honourable Barbara McDougall,
Secretary of State for External Affairs,
to the General Assembly of
the Organization of American States



Santiago, Chile
June 3, 1991

External Affairs and
International Trade Canada

Affaires extérieures et
Commerce extérieur Canada

Canada

Mr. President of the General Assembly,
Mr. Secretary General,
Mr. Assistant Secretary General,
Your Excellencies,
Ladies and Gentlemen and Friends,

I am delighted to be in Santiago to lead the Canadian delegation to this 21st General Assembly of the Organization of American States (OAS).

I wish first of all to congratulate you on your election as President of the Assembly and to assure you of the full support of the Canadian delegation in the fulfilment of your heavy responsibilities. We very much appreciate the warm hospitality extended to us and the excellent conference arrangements that have been made for our meeting.

I should be grateful if you could convey to the Government and people of Chile and to the OAS Secretariat our deep appreciation.

The Canadian delegation is very pleased that this General Assembly is meeting here in Chile. Like Chile, Canada shares a strong commitment to the OAS even though we are a relatively new member. Our links in diverse fields, in trade, as Pacific Ocean partners, go back many years. Most importantly, the dedication of Canadians and Chileans to democratic values has strengthened these bonds even more.

Mr. President, this year marks Canada's second year as a full participant, but the Organization's second century. It is indeed appropriate that the OAS reaches this important anniversary with a full complement of 35 members.

This year we are delighted to welcome our Commonwealth partners, Belize and Guyana, to our midst. We are made stronger and more complete by their presence. We look forward to the time when the vision of the founders of the OAS for a universal hemispheric forum can be realized and Cuba will retake its place in the Organization as a full member of the hemispheric family.

One year is a short period in the history of the world's oldest regional institution. In the year since Canada joined the OAS, we truly have come to feel part of the hemispheric family. We have been touched by the warm welcome we have been given by our Latin American friends.

Joining with our Caribbean partners in the OAS strengthens even more a long and traditional relationship. Drawing on these ties, we can make a unique contribution to hemispheric community-building.

When the Prime Minister announced our decision to join the OAS, he said that Canada should at long last become a nation of the Americas, a full partner in the hemisphere. The partnership we

embraced is one of opportunity. It is an opportunity to share in the values of the OAS community and to work with our hemispheric partners in preparing for the future.

In joining the OAS we share a commitment to strengthening and consolidating democracy and human rights. We seek a more secure and peaceful hemisphere without the threat of conflict.

We are working toward a hemisphere that is at home with its environment and freed from the scourge of drugs. And we are part of a hemisphere preparing for an era of increased globalization and competition.

The role of the OAS is more important today than ever before.

The world has found the pace of change over the past two years breathtaking. Much attention has been rivetted on the revolutions that have swept Eastern Europe and are still unfolding in the Soviet Union.

The resurgence of democracy has been startling and profound. The Gulf War signalled a radical shift in the Middle East and in the way the international community reacts to crises.

Changes in this hemisphere may have attracted less global attention, but are equally profound. In Latin America, democratic government has replaced dictatorship, and open economies are rapidly displacing the closed economies of the past.

These fundamental changes in the world order now present a challenge to our role in the hemisphere. The changing world landscape, both political and economic, means that our hemisphere and the OAS must be prepared to play a new role.

Today in the OAS we are defining that role. We have much more to do if we are going to have an Organization that will lead us into the next 100 years. By reaffirming the fundamental values of the OAS we are strengthening our hemispheric community.

Mr. President and fellow delegates, the Preamble of the Charter of our Organization states that "representative democracy is an indispensable condition for the stability, peace and development of the region." This concept is of fundamental importance to our Organization and to all of our member countries.

It is important that we remind ourselves of these facts and it is fitting that we do so here in Chile where the long tradition of democracy has, by the free vote of the people, been restored.

Mr. President, the fact that all hemispheric countries present in these meetings now enjoy the benefits of democratic government is

exciting. It is a time to celebrate. It is an extraordinary moment. But it is essential that this Organization and its members seize this unique opportunity to consolidate democracy throughout the region.

Last year Canada proposed the creation in the OAS of a unit for democratic development within the General Secretariat. We were very pleased that this proposal was given unanimous support. We believe this represented a reaffirmation by OAS members of the fundamental values of the Organization.

During the past year, the Secretariat has performed an invaluable service to democracy by monitoring elections. It contributed effectively to the electoral processes in Nicaragua, Haiti, El Salvador, Surinam and Paraguay. But the mechanics of holding elections are only a part of a healthy democracy.

The Charter says that one of the aims of the OAS is to promote and consolidate representative democracy. We believe that the OAS, through the Unit for the Promotion of Democracy, can play a role in strengthening the range of institutions essential to democratic societies.

I wish to reaffirm our offer to assist in the full establishment of the Unit for the Promotion of Democracy as soon as possible.

The resurgence of democracy and a growing respect for human rights in the hemisphere have strengthened the foundations of the OAS.

Canada applauds and supports the good work of the Inter-American Commission on Human Rights and the Inter-American Court of Human Rights.

A concrete demonstration of our commitment to the inter-American human rights system is the candidacy for the court of Madam Justice Bertha Wilson, one of Canada's foremost jurists and until recently a judge on our Supreme Court.

Fundamental also to the future of the hemispheric community is the quest for peace and security. Indeed, the OAS Charter underscores this task. Security, in its broadest sense, has ceased to be something to be achieved unilaterally.

Security is multidimensional; it addresses themes such as arms control, the promotion of democracy, the furtherance of economic and social development, the protection of the environment, and the safeguarding of human rights. To be effective, it must be built in a co-operative framework, by us all.

In acknowledging this broad context, we must continue to address priority concerns in the traditional security and arms control fields.

An extremely disturbing development of the last decade has been the accumulation by some states, in other regions, of enormous quantities of conventional arms, often coupled with efforts to acquire weapons of mass destruction.

We witnessed this year, in the Persian Gulf, the unfortunate consequences for states around the world of the virtually unrestrained build-up of arms in one country.

Iraq's immense conventional armaments, its declared readiness to use chemical and biological weapons and uncertainties concerning its nuclear intentions highlighted the need for increased global attention to these issues.

It is this concern which led the Canadian government, over recent months, to address with increased attention the problems associated with proliferation. In February, Prime Minister Mulroney pointed to the need for a new political will, a new momentum on the part of the international community to deal urgently with these issues.

Canada believes that the Organization of American States is well placed to demonstrate leadership in promoting co-operation to enhance security.

In addressing these problems, member states will be continuing a strong hemispheric tradition, and will send an important signal to all regions of the world about our commitment to international peace and security in the post-Cold War era.

In this spirit, we are proposing that the General Assembly adopt this week a resolution on security condemning the proliferation of weapons of mass destruction in the world, as well as excessive build-ups of conventional arms, and establishing a working group to study this issue and report back to this Assembly with recommendations for action.

Mr. Chairman, fellow heads of delegations, the Gulf conflict has provided us with a unique opportunity to take action regarding the threat of arms proliferation. That conflict brought home to us all, each day, the global risks and costs of such uncontrolled accumulations of weapons. All citizens now expect us to take steps to ensure that such a situation does not -- and indeed cannot -- occur again. We must not disappoint this expectation. We must respond to this challenge using every opportunity to find solutions to these issues. And, we must act quickly, at this precious moment of opportunity.

The promotion of hemispheric security, of human rights and democracy, have been the tasks of the OAS for the last century. They will be no less important into the next century. Now, as the OAS enters its second century, new challenges have emerged which will have to be met if our hemispheric community is to survive and to prosper.

Co-operation in the OAS on environmental matters will have a direct bearing on the future of all our countries. Industrial accidents and acid rain know no borders. Loss of bio-diversity, whether in the Amazon or in Canada's Arctic, is a loss to the whole world.

Next year, one of our members -- Brazil -- will be hosting a major international conference on the environment, headed by Maurice Strong, a distinguished Canadian internationalist. We welcome this initiative and we are giving it our full support.

Co-operation in eliminating the scourge of drugs is vital to the health and stability in our region. It threatens the social fabric and stability of consumer and producer countries alike. Progress is being made. The OAS and related bodies such as the Inter-American Committee on Drug Abuse are vital to our efforts of both producer and consumer countries.

Canada's official development assistance program in the hemisphere and within the OAS responds to these pressing issues. Environmental sustainability and natural resource development are the focus of a variety of projects.

We support a number of activities that promote closer regional integration and strengthen democratization and human rights. The first initiatives we have undertaken this year within the OAS include environmental protection in the Amazon and human resource development through the technology of long-distance education.

Human resource development is especially important in our development programs. The role of women in development in particular is integral to securing a more equitable future. Over one half of this hemisphere's human resources are women. No community can face the immense challenges of the future without the full application of all its resources.

The greatest challenge, and indeed the greatest opportunity, in the new hemispheric partnership is economic reform and trade.

Mr. President, the economy of our region is in an exciting process of transformation. Unproductive policies of the past are being rejected. A commitment to freer trade and national policies which encourage investment and competitiveness are a recognition of what works.

They are a recognition of the best way to secure a prosperous future for our hemisphere. Greater regional cohesion, however, is not directed at excluding others. It is a recognition that the nations of our hemisphere must equip themselves to meet the challenge of globalization and competition.

In this spirit, we have welcomed President Bush's proposal "Enterprise for the Americas," an initiative directed at harnessing the collective economic energies of the hemisphere.

Already Canada, Mexico and the United States have embarked on the negotiation of a free trade area. Other member countries are working toward similar arrangements amongst themselves.

Now the possibility of a free trade zone embracing the entire hemisphere is no longer a visionary's dream, but a distinct possibility. The OAS has served as a useful forum for the discussion of these initiatives.

The OAS is adapting to a changing world and we are proud to have been part of that process over the past year. We must continue to adapt if the OAS is to meet the profound challenges of the next century.

We welcome the work that has been done by the consultation group on the inter-American system. Two issues taken up by the group are fundamental to the future of the OAS. They are, first, the need to set clear priorities and to allocate resources accordingly; and second, the need to establish a system that will encourage member states to meet their financial obligations. The OAS will have little capacity to prepare for the future if we are in a constant state of catching up on obligations of the past.

Mr. President, Canada's decision to join the OAS was an act of political will to link our future more closely with the future of this hemisphere. That decision was based on a strong belief in what the future can be for us here in our hemisphere. It is a future where democracy and human rights have a firm hold.

It is a future where the problems of drug trafficking and environmental degradation will find solutions through joint efforts. It is a future where we will meet the challenges of economic interdependence and global competition through co-operation. It is a future with a vision of a more prosperous, equitable and peaceful hemisphere.

We have many issues before us at this Assembly which will determine the type of community in which we will live over the next 100 years. Let us show that we have the collective wisdom and the will to reaffirm that the Organization of American States will be at the centre of determining that future.

STATEMENTS AND SPEECHES



DÉCLARATIONS ET DISCOURS

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Address by Mr. de Montigny Marchand,
Under-Secretary of State for External Affairs,
to the Canadian Institute for International
Peace and Security Conference on the
Supply-Side Control of Weapons Proliferation

Ottawa, Ontario

June 21, 1991

ADDRESS TO THE CANADIAN INSTITUTE FOR INTERNATIONAL PEACE AND
SECURITY CONFERENCE ON THE SUPPLY-SIDE CONTROL OF WEAPONS
PROLIFERATION

by

de Montigny Marchand
Under-Secretary of State for External Affairs
Ottawa, Ontario
June 21, 1991

I would like to thank the Institute for inviting me to address such a distinguished assembly of arms control analysts, scholars and policy-makers. Since its inception in 1984, the Canadian Institute for International Peace and Security (CIIPS) has pursued its mandate to increase knowledge and understanding of peace and security issues from a Canadian perspective with skill, energy and enthusiasm. In so doing, it has established itself as a much sought after and listened to voice in discussions about arms control and disarmament, defence and conflict resolution, both in Canada and abroad. This conference continues that tradition of promoting and enriching debate on issues of utmost concern to us all.

The phrase "lessons of the Gulf War" has been bandied about a great deal during the past several months. Indeed, it often seems as if as many lessons are being drawn as there are people drawing lessons. But one indisputable lesson, recognized even before the war's end by Institute staff when they began to finalize the conference program in February, is that the proliferation of weapons of mass destruction and excessive build-ups of conventional arms are destabilizing and dangerous and must be stopped.

This is not a new lesson. Those of you working every day in the peace and security field did not need the Gulf War to unveil this revelation. What the Gulf War did, though, was bring this lesson home to the public. Each day, through countless television sets, newspapers, magazines and radios, people around the world were brought face-to-face with the consequences of Iraq's missile-launching capability, with fears about its chemical and biological weapons potential and with the absurdity of Coalition forces being under threat from Coalition-supplied equipment. In touching the public, the Gulf War touched politicians. Proliferation -- already recognized by specialists as the biggest arms control challenge of the 1990s -- became a public challenge and a political challenge.

This happened no less in Canada than elsewhere. The Canadian government was the first to publicly advance a comprehensive proposal for combatting proliferation in the post-Gulf War world, both regionally and globally. We recognized that Iraq was but one kafkaesque example of what can happen in a world where the non-proliferation of weapons and technology is not effectively

pursued. We recognized that Canada's support for the war effort was in part conditional on the government doing everything in its power to make sure we would not find ourselves in a similar situation a few years down the road. Parenthetically, that is why Canada has also been in the forefront of those calling for a strengthening of the UN system. On the proliferation front, we believed that what was needed, in the first instance, was a jolt of political energy to spur ongoing efforts to prevent the spread of weapons of mass destruction and missile technology, as well as to encourage progress in non-proliferation negotiations and the development of measures to deal with the virtually untouched realm of conventional arms accumulation.

As a consequence, the initiative launched by the Prime Minister and the Secretary of State for External Affairs on February 8th had two components. We are pursuing both with vigour. The first consists of the mobilization of political will by encouraging leaders of all states to commit themselves publicly and unequivocally to do their utmost to condemn the proliferation of combat weapons. In gathering political commitments at the highest levels, we hope to generate and maintain the momentum necessary to free specific negotiations and processes from the complacency or technical minutiae in which they have tended to become mired and thus to make progress on what are among the most urgent security issues of our time.

The second component of our initiative consists of an action program for moving ahead in each area of concern. Regarding nuclear weapons, for example, we are calling on all Non-Proliferation Treaty (NPT) signatories to make an early commitment to the indefinite extension of this vital Treaty when it comes up for review in 1995. We continue to regard the NPT and its associated International Atomic Energy Agency (IAEA) safeguards system as the best instrument at the world's disposal to effectively prevent horizontal proliferation and to ensure a stable environment conducive to continued nuclear disarmament on the part of the nuclear-weapon states. We are pleased that the number of states party to the Treaty is growing. We particularly welcomed the recent accessions of Zambia and Tanzania, as well as President Mitterrand's announcement of France's decision in principle to accede. Canada will continue to urge those states that remain outside the NPT to reconsider their positions. At the same time, we will continue to press all nuclear suppliers to require NPT-type non-proliferation commitment and full-scope safeguards as conditions of supply, conditions Canada has had in place since 1976.

In the area of chemical weapons, we are seeking the early conclusion of the Geneva negotiations on a global, comprehensive and effectively verifiable ban on development, production, stockpiling and use. We believe a chemical weapons convention can be concluded in 1992, and we are sparing no effort to reach

that end. In the interim, we are in the final stage of instituting export controls on all 50 chemicals identified by the Australia Group as precursors for chemical weapons. We are also exploring with our Australia Group partners issues related to export control of dual-use technology.

In the area of biological weapons, we have been preparing for the Third Review Conference of the Biological and Toxin Weapons Convention (BTWC). We are urging participants to use the Review Conference as an opportunity to agree to a mandate and time frame for the establishment of a "compliance regime" -- including fact-finding provisions -- to strengthen the Convention's effectiveness. We are engaged in discussions on both the substance of these proposals and on the negotiating process for moving them ahead effectively. In addition, we and our Australia Group partners have been exploring ways of making biological and toxin weapons proliferation more difficult, perhaps through more active monitoring or export control.

To further curtail the proliferation of weapons of mass destruction, we are striving for a global consensus on the need to end the proliferation of missile systems capable of delivering such weapons. Canada met in March with its partners in the Missile Technology Control Regime (MTCR). We will be meeting with them again later this year to consider expanding participation in the regime to include such countries as the Soviet Union and to look at broadening the scope of the Regime to include more categories of missiles.

Turning to conventional weapons, this is the one area that lacks a mechanism to curb or even consider the potentially adverse consequences of arms transfers and acquisitions. Canada is thus proposing that states start to address the complex question of preventing excessive build-ups of conventional arms. By excessive build-ups of conventional arms, we mean the acquisition of quantities of conventional arms that go beyond reasonable defence requirements. We are not proposing to put an end to the arms trade. Nor are we proposing to constrain any state's ability to acquire arms for justifiable defence purposes. Rather, we are proposing that the international community take appropriate measures to guard against states over arming themselves in future, as Iraq did.

Towards this end, we are calling for increased transparency in military capabilities. We are eagerly awaiting the final report of the UN Group of Experts now studying arms transfer transparency, on which Canada is ably represented by Mr. Ernie Regehr. Drawing on the Group's expected recommendations, we will work in co-operation with others at the General Assembly this fall to ensure the immediate establishment of a system of reporting arms transfers to the UN. Not content to wait for the International community to move in this direction, Canada

published earlier this year its own first Annual Report of Military Exports. We believe that transparency in arms transfers could usefully be supplemented by transparency in arms procurement and holdings.

We also favour the establishment of appropriate forums for consultations about situations where excessive arms build-ups seem to be developing. The result of these processes of increased transparency and international consultation will be, we hope, to encourage countries to exercise self-restraint in the transfer and acquisition of weapons that could contribute to excessive build-ups, which increase uncertainty and instability.

Canada is pursuing both the political component and the action program component of its initiative bilaterally and multilaterally, across a wide range of forums. We have had considerable success.

Earlier this month, as a direct result of Canadian efforts, Organization of American States (OAS) Foreign Ministers recognized, in a joint statement in Santiago, that the unlimited proliferation of weapons undermines international security and decided to initiate a process of consultation on hemispheric security, including weapons proliferation and arms transfers. The OAS General Assembly then adopted by consensus a Canadian-initiated resolution, entitled "Co-operation for Security in the Hemisphere: Curbing the proliferation of Instruments of War and Weapons of Mass Destruction," which gives effect to the Foreign Ministers' decision.

Proliferation was also addressed at the meeting of NATO Foreign Ministers in Copenhagen on June 6th and 7th. In the final communiqué, Canada and its allies renewed their commitment to the earliest possible achievements of advances in the various forums dealing with proliferation issues.

At the just-completed Conference on Security and Co-operation in Europe (CSCE) Foreign Ministers' meeting in Berlin, Ministers concluded -- at the recommendation of Canada and others -- that halting the spread of weapons of mass destruction and restraint and transparency in conventional arms transfers should be a priority of CSCE governments and agreed to maintain a dialogue on these issues.

Similarly, when the Group of Seven industrialized countries meets in London early next month, the need to better combat proliferation will figure prominently on the agenda. In particular, Canada and Germany are promoting transparency in arms transfers and are proposing ways of consulting about excessive build-ups of conventional arms. Discussions are already under way to determine how the London Summit might put this into effect.

One of the reasons for Canada's success in ensuring that proliferation issues receive the required attention at the political level has been that our initiative has found a tremendous resonance in the international community. In the months since we put forward our proposal, numerous countries have come forward with their suggestions for dealing with proliferation in the post-Gulf War world, echoing ideas prominent in the Canadian initiative.

Prime Minister Major of Great Britain proposed in April the encouragement of arms transfer restraint and a UN arms transfer register. U.S. President Bush unveiled on May 29th an initiative focused on the Middle East that incorporates measures to curb the spread of weapons of mass destruction and missiles systems, as well as discussions among the five permanent members of the UN Security Council on guidelines to restrain destabilizing arms transfers to the region. Shortly thereafter, President Mitterrand outlined a series of proposals dealing with all categories of weapons proliferation, including agreement on rules of conduct for conventional arms transfers and creation of an international register. Other countries, too, have made proposals to move the non-proliferation agenda ahead. We welcome all of these proposals, which complement Canadian efforts to advance the same objectives.

Expressions of political concern, however, and a proliferation of non-proliferation initiatives, while extremely welcome and clearly necessary, are not sufficient to bring about an end to proliferation. As we continue to garner high-level commitments, we must make sure that these commitments are reflected in progress at the nuts-and-bolts level. We have no illusions about the practical technical difficulties involved in the measures we are proposing.

You have dealt with many of these difficulties -- and possibilities -- in your conference. Supply-side control represents the frontline of the war against proliferation. It is not an ideal solution. There are questions about effectiveness, about comprehensiveness, about verification, about capturing dual-use goods and technology, about capturing services, about discrimination and about implications for legitimate, non-military transactions. But we do not live in an ideal world. Tackling proliferation in the real world is a question of doing what is feasible, while always bearing in mind the ideal and striving towards it wherever possible. Where effective movement can be made towards curbing the spread of clearly unacceptable weapons, movement should be made. This may mean tightening and better co-ordinating national export controls. It may mean an agreement among countries in a region not to acquire particular types of weapons. We would hope it could mean a common effort by the entire international community, working on a common understanding that what is prohibited to one should ultimately be

prohibited to all. But Canada does not believe that the best should be the enemy of the good, or even the enemy of the next-to-worst, if that is all that is attainable at any one moment.

Supply-side control is one part of what is feasible and attainable now. It will not stop proliferation on its own, as many of you have remarked over these past few days. What is ultimately required is a comprehensive approach that deals with both supply and demand and draws as many states as possible into effective, global regimes. In the interim, however, where no global instrument exists, supply-side controls are frequently the only means available for curbing proliferation of the weapons system in question. Supplier states that have adopted a policy of self-restraint have a moral and practical obligation to their publics and to their exporting communities to ensure that their products and technologies are not being diverted to purposes other than those intended. Even where global instruments exist, as in the case of the nuclear non-proliferation regime, there will continue to be a need for effective supply-side controls. Supply-side controls provide an important means of preventing the spread of prohibited weapons to states that remain outside global treaties. They also provide a double-check for ensuring that the self-restraint on the part of potential suppliers and potential recipients that has been codified in a multilateral instrument is being respected.

But supply-side controls are primarily a short-term measure. They buy time -- for building confidence, for dampening regional tensions, for gathering a consensus on the value of restraining weapons acquisition, for forestalling the rise of dangerously armed powers in unstable situations. This is valuable time, admittedly, but it does not provide the assurance of non-proliferation that we are all seeking, assurance that can only come from effective, comprehensive non-proliferation regimes adhered to by as many states as possible.

That is why the Canadian program of action I discussed earlier includes a blend of supply-side and global measures. It calls for enhancing efforts in relation to the Australia Group, as well as for conclusion of a chemical weapons convention and for strengthening of the BTWC. It calls for strong and effective multilateral controls on dual-use nuclear goods, as well as for shoring up the NPT. It calls for consultations among major conventional arms suppliers, as well as for consultations among suppliers and recipients. It calls for strengthening the MTCR, as well as for reaching a global consensus on the need to stop missile proliferation. In the short term, in the absence of global non-proliferation measures, our emphasis may have to be on supply-side control. Even in the long term, supply-side control will be required to deal with those states that -- for whatever reason -- remain outside of global regimes. What we advocate, however, is a gradual shift of emphasis away from primary

reliance on supply-side control, as we secure agreement on the global measures we need.

Such measures cannot be dictated by suppliers. They can be arrived at only through the co-operation of the international community as a whole. This is why Canada, in seeking to advance its initiative, is assembling a core group of interested countries that includes both suppliers and recipients, countries from the east, west, north and south. It is also why we were extremely interested in the proposal by Argentina and Brazil at this year's session of the UN Disarmament Commission, on seeking norms in the international transfer of sensitive technologies that command universal support. This is an objective in which Canada sees merit. We fully recognize the right of access of all states to the peaceful uses of technology. In our view, though, this is not a right of assured access. Some states would argue that if you provide us with the technology we will be on our best behaviour; we would respond that you have to be on your best behaviour before we provide you with the technology.

Canada's goal is a global framework of equitable, comprehensive and verifiable non-proliferation regimes of which all well-intentioned members of the international community are part. This is an ambitious goal. It is a necessary goal. We believe it is an attainable goal. The 1990s, marked by the end of the Cold War, the growing commitment to co-operative security globally as well as regionally and the focusing of minds of the Gulf War, provide us with an unprecedented opportunity to effectively stop proliferation. We must seize this opportunity. Through a combination of political will, public support, official endeavour and analytic input, we can translate our burgeoning concerns about proliferation into tangible, durable results. We can build a more stable world with fewer and less dangerous weapons. I thank you all -- conference participants and organizers -- for your contribution to that goal.

STATEMENTS
AND
SPEECHES



DÉCLARATIONS
ET
DISCOURS

91/9

CHECK AGAINST DELIVERY

NOTES FOR A SPEECH BY
THE HONOURABLE BARBARA McDOUGALL,
SECRETARY OF STATE FOR EXTERNAL AFFAIRS,
TO THE CONFERENCE COMMEMORATING
THE 60TH ANNIVERSARY OF
THE STATUTE OF WESTMINSTER

TORONTO, Ontario
December 10, 1991



Has Canada made a difference? Of course we have! Can you imagine the French or the British or the Japanese or the Americans or even the Brazilians asking such a question? They would believe that even asking the question would tarnish the names of their heroes, undermine their legends, weaken their national spirit.

The very existence of Canada -- its languages, its cultures, its values, its tolerant spirit, its standards of behaviour -- has represented an independent voice and has constituted something different, something special, for the larger world. By freely forging a united nation based on respect for diversity, Canadians bring a special sensitivity to other problems in the world.

For proof of this claim, ask those who look to us from afar. Ask the Cypriots who have raised their children in peace because we have stood guard. Ask those Ethiopians and Bangladeshis whose children have been nourished in the face of potential starvation. Ask the democrats of the Czech and Slovak Federal Republic and Chile whose flame of hope we kept alive during the dark years. Or ask the Europeans, who see in Canada a society with the vitality and energy of the New World, but one that respects the values and traditions of the Old World.

Like other countries, Canada's foreign policy is driven by the need to protect and promote our national values and interests. Canada has always believed that a stable, peaceful world, based on fundamental human values, is in its own best interests. Our efforts to encourage international acceptance of moderation, tolerance and the rule of law are rooted in our own domestic traditions.

Our pursuit of political and economic security through multilateral systems based upon recognized rules is not simply self-serving. Canadians are convinced that a world so forged will also be to the advantage of the broader international community.

So perhaps a better question, a divided question, would be: Has Canada, in pursuit of its foreign policy goals, made a measurable difference to the well-being of Canadians, and, in so doing, has it had any measurable impact on the course of human history? In my view, the answer is undoubtedly "yes."

The early years of Canadian foreign policy witnessed the gradual evolution of an independent view of the world, devised by Canadians to serve Canadian rather than imperial interests.

In the early stages of this evolution, we began to take decisions critical to our own nation-building, from immigration and tariff questions to the management of our own war effort during World War I. It was indeed in the muddy and bloody trenches of that war that our mettle was tested, our character was indelibly defined, and we came of age as a people and a nation.

The Statute of Westminster itself was, in fact, a well-earned and formal codification of the reality that had developed during the early part of the century. We were by then unique, different,

ourselves. We were Canada, and few outside our borders doubted our independent, mature and legitimate voice.

During the 1930s, Canada validated its individuality further on the international stage. And, when we went to war again in 1939, there was no question about who made the decision to send Canadians abroad -- the decision was unequivocally "made in Canada."

Our war effort, relative to our size, was unparalleled. Extraordinarily, we emerged from that conflict with the fourth-most powerful military machine in the world. But militarism was neither the lesson we wished to learn nor the vocation we chose to follow. The suffering, loss of human life and degradation of human decency that the war visited upon the world gave us renewed objectives and visions, albeit deeply rooted in traditional Canadian values. We became strong advocates of multilateralism, believers in security through alliances. We petitioned for open, liberal trading regimes and became, over time, leaders in arguing for worldwide covenants guaranteeing respect for basic human values.

Our skills and success at war made us believers in peace.

Those who led us out of the war and into the peace recognized that, in spite of our momentary power, we were neither by size nor by leaning a great military nation. We chose, instead, to assure our own defence within the context of a greater collective commitment, and to use our skills and capabilities to help preserve peace elsewhere. In the post-war period, we quickly earned an envied reputation as a nation of peacekeepers. In so doing we were extending the values on which we had built our own country into the international arena.

Scholars have heralded the "independent" nature of certain key foreign policy decisions taken by Canada. The 1956 Suez Crisis is a case in point. But we did not take action at the time of Suez, or in South Africa's membership in the Commonwealth, or, indeed, in our relations with Cuba, merely to demonstrate "independence." We took the actions we did because of the values and interests we believed to be at stake, and with a clear recognition that we could influence the overall course of international events.

Canada's leadership in the fight against apartheid in South Africa goes back to the days of John Diefenbaker and is consistent with a strong Canadian concern for human rights and social justice, which I have continued to pursue as Chair of the Commonwealth Committee of Foreign Ministers. Our forward-looking stance on non-proliferation and weapons transfers in the wake of the Gulf War, and, indeed, our recent insistence to a reluctant world that the Yugoslav Crisis be considered by the United Nations Security Council -- these are just a few of the more recent examples of how Canada's foreign policy has diverged from our traditional friends and allies, and has had real impact on the unfolding of events.

But we were not searching for divergence simply for the sake of being different. In all of those cases, we were acting in what we

believed to be Canada's own best interest. And if that self-interest has consistently been best served by reinforcing the rule of international law, it is Canadians at large who have insisted that their values be projected externally. They must be credited for the respected stature that Canada enjoys in the world community and our success in making our foreign policy a source of shared national pride.

Just as we have diverged from friends when our values and interests so suggested, so too have we converged with them in pursuit of shared goals and common objectives when our values and interests have suggested common responses. From a collective effort in the Gulf War to shared efforts to fight tyranny and terrorism, our foreign policy has been no less "independent" when we have stood side-by-side with friends and allies. It would have been rather strange had our interests never coincided with those whose values and traditions we share.

But the world is moving too quickly to dwell at length on the past, even though it is a proud past. We must turn our minds instead to the future, to find the right mix of policies to ensure stability and prosperity at home and, over time, to help to create a more predictable, safer world.

Major Trends

The topography of the post-Cold-War world is far from fully formed. Nonetheless, some important contours are emerging. Global political and economic power is shifting rapidly and becoming more diffuse. Traditional alignments between states are giving way to new alignments. Basic principles of democracy and respect for human rights are ascendant in most of the world.

Yet, as we all know too well, these values are not fully entrenched. Old hatreds are still alive and are being rekindled. And events in Yugoslavia, Ethiopia, Armenia, Haiti and Indonesia have reminded us all what tragedy can occur when basic democratic principles and respect for human rights are flouted or when the basic needs of ordinary people are ignored.

As ever, politics and economics are intensely intertwined. Global competition is developing side by side with a renewed emphasis upon regional trading arrangements. This new global economy is paralleled by similar developments in the worldwide diffusion of information and culture. Borders are no longer barriers to knowledge and understanding.

National borders are becoming increasingly porous, as the list of issues that transcend the nation-state grows. There is little question that global environmental threats, population and migratory pressures, and the proliferation of weaponry can be addressed only on a multilateral basis.

In such a rapidly changing world, what are the best policy directions for Canada in the years ahead? Let me highlight the

three broad directions that we envisage for Canada's foreign policy in the 1990s.

Co-operative Security

The first is strengthening co-operative security. The Gulf War, the conflict in Yugoslavia, the coup in Haiti and the ongoing crises of the Soviet Union provide forceful, often bloody, reminders of the need to find a new international framework for stability to fill the strategic void left by the welcome passing of the Cold War.

Developing a broader concept of security has been crucial to building that new stability. What Canada calls "co-operative security" encompasses the traditional military threats to security. But it also takes into account other security concerns, many of which do not have a direct military dimension.

In adopting this wider concept of security, Canada will be more aggressive and active in tackling transnational threats to security, such as weapons proliferation, drug trafficking, terrorism and irregular migration. These threats need to be managed to avoid the dangers of escalation to military action. We are convinced that co-operative regional security regimes and dialogues, from Europe to the Middle East to the Pacific, based on enhanced confidence and understanding, can reduce the number and intensity of threats to global peace and improve our capacity to prevent and manage conflicts.

And Canada is there -- in the Conference on Security and Co-operation in Europe (CSCE), in the upcoming multilateral phase of the Middle East Talks and in the Pacific community, where greater attention is being paid to the need for better dialogue and more effective institutions.

Canada and others are also recognizing the need to address, urgently, the challenges and long-term security threats of climate change and related global environmental problems. In addition, we must address the underlying conditions that create a vicious cycle of excessive population growth, underdevelopment and mass migration.

On the military security side, the Prime Minister's February arms control and disarmament initiative put Canada in the forefront of world efforts to curb the proliferation of weapons of mass destruction and the excessive build-up of conventional arms. Initially viewed by countries and commentators as too radical and unrealistic, most of those ideas have, a scant 10 months later, become remarkably mainstream. Canada will continue to be intensively active in organizations as diverse as the United Nations (UN), the Organization of American States (OAS), the CSCE, the North Atlantic Treaty Organization (NATO) and the Group of Seven (G-7), pressing for tighter international regimes to control the proliferation of weaponry.

The world already has the essential framework to contribute to a global co-operative security dialogue -- the United Nations system. We need to strengthen that framework and take advantage of the opportunity before us to develop greater respect for the rule of law and the principles of collective security enshrined in the UN Charter.

Through the framework of the UN, Canada will continue, indeed even expand, its peacekeeping efforts. The Western Sahara, Cambodia, Yugoslavia, and perhaps again the Middle East are all areas of conflict where Canadian expertise will likely be required. The UN's vocation is evolving from peacekeeping to peacemaking and even -- as we see in Cambodia -- into quite intrusive nation-building. The international community, urged on by Canada and others, is increasingly assuming such functions as electoral supervision, refugee protection and even the development of democratic institutions -- actions that were once considered to fall under the exclusive purview of national governments.

Prosperity, Development and the Environment

The second broad direction for Canada's foreign policy in the 1990s is creating what might be called "sustainable prosperity." Our prosperity depends on an open and liberal trading regime. With some 30 per cent of our gross national product (GNP) linked to exports, it could not be otherwise. As a high-wage and high-cost country, Canada's sustained prosperity depends on improving the productivity and skills of our labour force. We must expand our knowledge-based industries of the future, through better skills, more innovation and more efficiency, even as we continue to seek improved market access for our large natural resource exports.

Foreign policy, trade policy and domestic policy (including environmental considerations) must become and are becoming more and more integrated. Given international co-ordination and harmonization of economic, industrial and trade policies, we need to anticipate future trends in such co-ordination to ensure our own timely and effective adjustment to continued globalization.

While our multilateral trade-related objectives are clear -- successful completion of the Uruguay round, obtaining consensus on export financing, and management of debt problems -- regional trading arrangements such as the Free Trade Agreement (FTA) and the North American Free Trade Agreement (NAFTA) will continue to be instruments through which we can advance, in an immediate and effective manner, our trade and investment interests. The new trade policy agenda -- investment, trade in services, intellectual property protection -- will be pursued vigorously to assist Canadian industry to become more competitive.

But the prosperity we seek must also be sustainable. Our economic well-being, living standards and quality of life are dependent upon our ability to protect the environment and its resources not only for ourselves but for future generations of Canadians.

Balancing economic and environmental considerations to create sustainable development will challenge developed and developing countries alike. Differing economic conditions, the pursuit of sustainable development practices and the multilateral sharing of global resources and responsibilities will require new levels of international co-operation -- co-operation that will prove controversial and difficult given the divergent interests involved.

Strengthening Democracy and Respect for Human Values

The third, and perhaps most complex, broad direction of Canada's foreign policy is the strengthening of democracy and respect for human values. Canada has welcomed the emerging trend internationally toward the acceptance of universal democratic values, although they are far from being fully entrenched. Today, on International Human Rights Day, it merits emphasizing that our actions and policy instruments, including development assistance, will continue to support and encourage this trend.

In his address at Stanford University earlier this fall, the Prime Minister was unequivocal in his support for emerging democracies. He said, "We must recognize that there are certain fundamental rights that all people possess -- and that, sometimes, the international community must act to defend them." In announcing a series of measures in support of democratic and economic development throughout Central and Eastern Europe and the former U.S.S.R., he defined the magnitude of the challenge facing Canada and the world. "The task we face -- in Eastern Europe, in Africa and around the world -- is nothing less than to create a commonwealth of universal democratic values."

Progress is not smooth, and, even when the flower of democracy blooms, it can often be a fragile blossom. This delicate balance hastened our resolve in responding to the unacceptable reversal of the democratic process in Haiti. It governed our positive response to the changes in South Africa. And it has stimulated us to create mechanisms through the OAS, the Commonwealth and La Francophonie to help entrench and sustain the democratic process and tradition.

At the Commonwealth Summit in October, the Prime Minister noted that since 1987, human rights have been a concrete factor in Canada's annual review of its development assistance policy. And he went further when he stressed, "For Canada, the future course is clear: we shall increasingly be channelling our development assistance to those countries that show respect for the fundamental rights and individual freedoms of their people."

Let there be no mistake. Canada will have no qualms in refusing to support abusive, corrupt and aggressive regimes that use their power to suppress their own citizens.

Some elements of Canada's new policy in support of good governance, and in particular with respect to human rights, have been only partially understood. It is not our intent to punish the poorest of the poor for oppressive policies taken by leaders of dictatorial

regimes. It is, instead, our intent to use all of the policy levers at our command, including development assistance, to influence the global move toward good governance.

To many, the concept of good governance is confusing. While respect for human rights and a commitment to democratic principles and institutions are key elements of what I call good governance, the concept itself is much broader. Good governance also includes a sufficient priority given to basic social programs, defence spending that is not excessive, and the pursuit of sensible market-based economies.

This is a serious and complex policy issue. Aid programs involve long-term commitments, and they cannot be turned on and off like a light switch. The judgments involved are sensitive, with far-reaching implications.

We intend to use all of the policy levers available to us to try to bring about sustained progress toward democratically and economically viable societies. In the aid field, this could involve refocusing our assistance to ensure that sustenance is offered to groups working for democracy, or to those revising legal codes. We have, for example, lent scholars and judges to others, from Namibia to Central Europe to Hong Kong, to help construct democratic legal systems and entrench basic human rights and freedoms.

These principles are also at the core of what we are trying to do in managing the complex questions surrounding the dissolution of the Soviet Union. As a G-7 player, we have a particular role to play. We have been and will remain in the forefront of efforts to ensure a peaceful and sensible transition of the former U.S.S.R. and the republics, which, like Ukraine, are taking their separate and legitimate places on the international stage.

Our objective is to draw these societies into the world of democratic, market-based economies, through real assistance for real reform, keeping in constant view the principles of good governance that we believe are essential if the process of transition is to be peaceful and stable.

The efforts we have made and will continue to make in the Baltics and in sustaining the transition of Poland, the Czech and Slovak Federal Republic and Hungary to market-based pluralist democracies -- and indeed the parallel efforts we have made in Latin America -- are all part of this same objective.

Themes and Priorities

Strengthening co-operative security, creating sustainable prosperity, and securing democracy and respect for human values -- these are the broad foreign policy directions we intend to follow for the coming years.

In many of these areas, particularly arms control, human rights and the environment, Canada is at the forefront of international efforts. In developing policies to respond to new imperatives, we are breaking new ground. In any new endeavour, whether it is encouraging the International Monetary Fund (IMF) to carry through on its commitment to good governance or negotiating new agreements in the environmental area, such as the acid rain accord with the United States, there will be difficulties and uncertainties.

I have no illusions that, by developing these broad directions and priorities, Canada will somehow become immune to the vagaries of an often unpredictable world. Nor do I think that the new areas now demanding policy attention will fall into place easily and quickly. I do believe, however, that Canada and Canadian foreign policy will become more focused and capable of acting more quickly in the Canadian national interest when unpredictable events occur.

The conduct of an independent Canadian foreign policy has long been a source of shared pride for all Canadians. It has, in itself, been an important integrating force in the very unity of this nation.

During the period ahead, there will be high expectations by the international community for an active Canadian presence. The world is only too aware and appreciative of the positive difference that a coherent and united Canadian foreign policy has made to international peace, prosperity and security. Individual Canadians also expect Canada to continue to play an active and independent role on the world stage.

We can meet these expectations only if we remain strong and united. And here is where the Canadian disposition toward tolerance, I believe, will emerge once again. We have overcome division before. We have found that the values and the shared interests that bind us together are far greater than those that threaten to divide us. Those principles, and the determination and the skill that we have demonstrated internationally, will surely be as successful for us at home.

Have we made a difference? Absolutely. Will we make a difference? We must.

As we move further into this country's process of constitutional renewal, it is important to remember that the successes and achievements of Canada in the wider world would not have been possible if we had not been a united country. The levels of prosperity, the degree of respect for human rights and freedoms, the diversity itself, which is so envied throughout the world, would not have been possible if we had not been a united country.

Over the next two days, you will grapple further with these questions, but I am convinced unequivocally that through our foreign policy we have made, and we can and will make, a difference to the course of human history and, just as importantly, to the individual and collective well-being of all Canadians. 773200047

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